

A MAN OF MANY TALENTS

Crescent Enterprises CEO and social entrepreneur Badr Jafar talks exclusively to Milestone about diversity, changing the face of corporate culture and why nurturing the humanities is the key to a bright future

BADR JAFAR / CEO CRESCENT ENTERPRISES

“I thrive on diversity,” says Crescent Enterprises CEO Badr Jafar. “Today, for example, I kicked off chairing a board meeting for Gulfair; we are fine tuning a 50 year concession agreement to operate one of the largest ports on the east coast of America, which offers huge developmental opportunities in the USA. An \$800 million commitment over a decade, it’s quite significant. The next meeting was a brainstorming session for one of our latest startups within CE-Creates – Kava & Chai – a next generation coffee and tea chain to rival Starbucks, at least in the Middle East for the time being.”

A snapshot into the life of one of the Middle East’s most influential businessmen, this eclectic routine is reflective of both Crescent Enterprises’ varied interests and Badr’s expansive mind.

“They all complement each other because lessons learned in some of these newer investments helps us to think through the opportunities and risks for our more established businesses,” says Badr. “It’s all part of the same canvas.”

Originally engaged with oil and gas when it launched in the late 60s, family-owned Crescent Enterprises entered the ports and logistics space before moving into a number of other sectors including power generation, healthcare, aviation and private equity. More recently, it’s been Fourth Industrial Revolution activities and investments – including in the venture capital space – that has piqued company interest. Today affairs are arranged under four main platforms: CE-Operates, which spans the aforementioned ports and logistics space, power and engineering and business aviation. This includes Gulfair, one of the largest privately-owned container terminal operators in the world. On the investment side, there are two platforms. CE-Invests is the strategic investments arm, a general balanced portfolio of diversified investments, and then there’s corporate venture capital arm, CE-Ventures, which looks at early to late stage businesses (often tech-enabled) and select venture capital funds.

Badr explains: “This has a global outlook and we try and focus on specific domains including medtech, supply chain technology, ai and →

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Badr Jafar at one of the UAE port container terminals managed by Gulftainer, a subsidiary of Crescent Enterprises

foodtech. We always apply a social lens to what we do, and food security is a major issue in this part of the world so it's one area that's particularly interesting for us."

Finally, CE-Creates is an incubator that develops early stage concepts into viable and scalable businesses with measurable social impact, as well as helping to "keep entrepreneurial flair alive in the family business." This includes the likes of ION, the first sustainable transport fleet in the region and the Kava & Chai chain.

An entrepreneur at heart, Badr was never fixated on joining the family firm, and spent a number of years developing business ideas before and during his studies at Cambridge University.

"I was very keen to see if really my calling was in another direction altogether and I never took it for granted that I would join the business – or even that it would be something that was wanted from me," he acknowledges.

However, after he was drafted in to Crescent to work on a specific project for a projected six-month stint, Badr became immersed in the

company and never left. Over the subsequent years, he has certainly made an impression. His progressive leadership style and tenure at Crescent is imbued with the philosophy of 'business with a soul' – a culture rather than a business strategy, this is a pillar on which Crescent Enterprises flourishes.

"There doesn't need to be a trade-off between profits and purpose," notes Badr, "it's not a ze-

“ The question is how do you create a corporate culture that facilitates profit and purpose, and allow them to coexist peacefully ”

ro-sum game. The question is how do you create a corporate culture that facilitates profit and purpose, and allow them to coexist peacefully without advancing one at the expense of the other."

While it's less complex to implement these principles with businesses that are being created from scratch, rather than applying them retroactively, "analyzing the broader impact of a business that hasn't necessarily been measuring anything other than financial implications can always be a fun exercise," he says. Take ports, for example. "There are many ways that ports, and shipping in particular, can have a detrimental impact on the environment. However, thanks to technology today, the water surrounding some ports can be cleaner than most beaches. But unless you're measuring it you could be missing out on opportunities to generate positive impact."

The potential social impact of this business is equally fascinating. Crescent's last US port venture, through its subsidiary Gulftainer, in Wilmington, Delaware, is in a typically challenged area from a socio-economic perspec-

tive. The surrounding hinterland suffers from a lack of infrastructure investment that hinders the whole business community from thriving and limits job creation. In other operations, Gulftainer measures the impact of its investments on the social landscape of the local communities, and how its operations indirectly affect the small business community. With this intelligence they are able to arrive at specific opportunities to serve them more efficiently and attract shipping liners with cargo more relevant to the needs of the community.

"It's really about what purpose you serve as a business overall," Badr says. A business without a sense of purpose is a poor one, regardless of how much money it makes. This is at the core of what we try to achieve."

Chairman of Endeavour UAE and on the Board of Advisors at Sheraa, Badr applies a similar lens on society.

"Poverty is not a lack of money in many ways, it, too, is a lack of purpose. This is a fundamental problem in the Middle East today. It's not as if we are economically disenfranchised in our region, more that many of our youth don't feel that they have a well-defined purpose in their communities – and ultimately in their economies as well. Giving someone a salary and a job title is not enough."

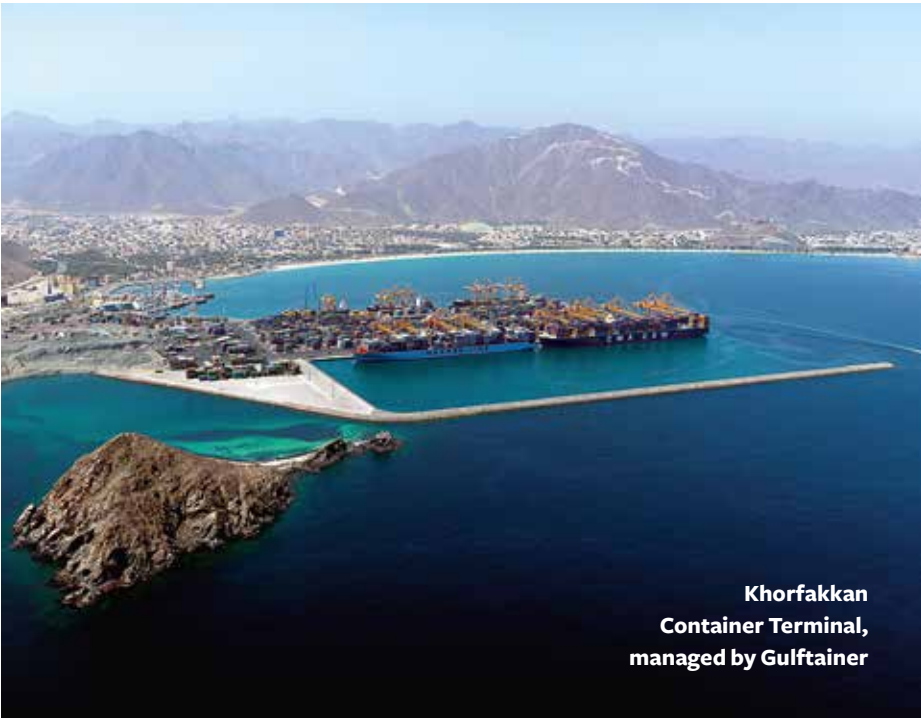
As comfortable discussing the Islamic Golden Age and quoting American writer Maxwell Anderson as he is at unpacking modern education systems and esoteric philosophies, Badr embodies his own principles of diversity. He advocates a broad education where people are not necessarily expert in any one domain but can take a holistic approach to problem solving – "that's what I believe the world needs more of today. I think we've progressed beyond the need for experts" – and looks to the humanities to enrich and inform creativity and innovation.

"Humanities and the arts are still seen as a lot more ornamental than fundamental," Badr says.

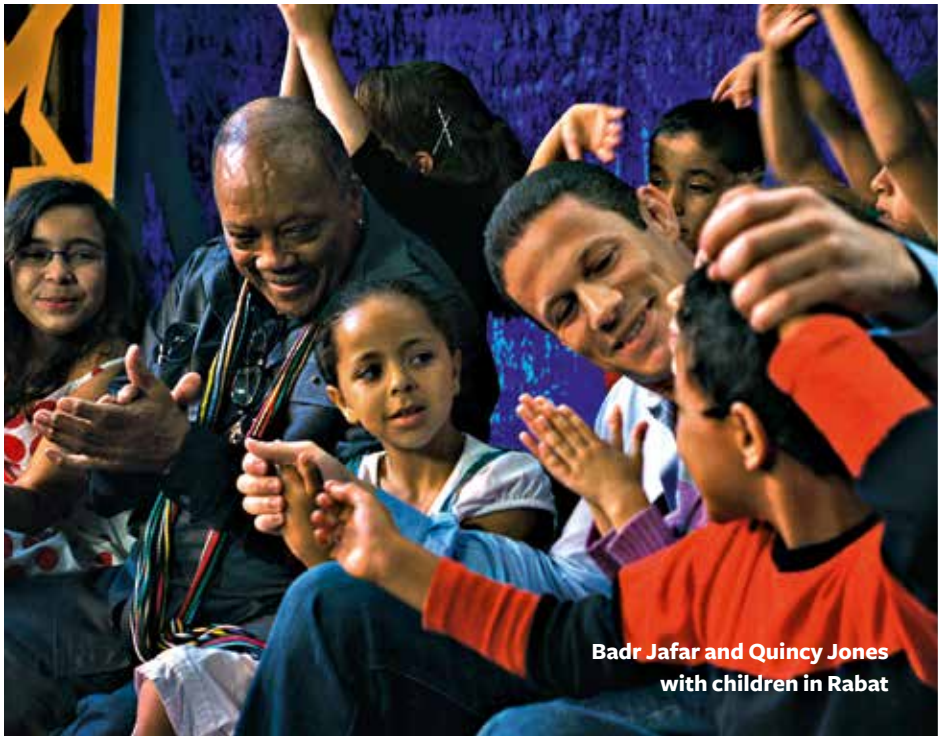
In response, he has been busy. Back in 2011 Badr launched the Middle East Theatre Academy, a non-profit organisation that provides a safe environment to nurture young actors, directors, and producers from the Middle East, and helps them to showcase their talent internationally. He's a member of the Kennedy Centre's Centennial Circle, and in May 2015 was appointed by the United Nations Secretary General onto a committee for Humanitarian Financing, formed "to address the increasing gap ➔



Badr Jafar calls for Global Purpose Hubs at a UN High-Level Event on Innovation and Technology



Khorfakkan Container Terminal, managed by Gulftainer



between resources and financing for the world’s ever-increasing humanitarian needs.”

“I’ve done a fair bit of work on understanding the impact of humanitarian aid and how to enhance the quality of that aid,” Badr offers, modestly. Indeed, quite apart from launching the Arab World Social Entrepreneurship Program in partnership with Ashoka and his committee role at the UN, he has spearheaded a project called SMEs for Humanity (SME4H). An online portal where humanitarian needs can be posted by governments, humanitarian agencies, NGOs, and others (including SMEs), here SMEs can respond to needs that are geographically close or technically relevant to their skills and capabilities, independently or in partnership with other public and private stakeholders.

Badr is quick to point out that, despite the best intentions, not all aid hits the right note. Indeed, in some instances it can even be detrimental to development.

“You have to be very clear what you’re measuring and what your impact is otherwise you could actually be doing a lot more harm than good without even realising it,” he advises. “Whenever I talk to social entrepreneurs I say be careful that you don’t create businesses that

actually create problems for you to solve. And don’t assume that because something is a problem today it’s going to be a problem tomorrow. If your business relies on it being a problem tomorrow, that’s in itself a flawed business.”

Strategic philanthropy is another area of interest; Badr is working in partnership with the likes of the World Bank to develop a tech platform, HasanaH, to channel the estimated \$250 billion

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to a trillion dollars in aid donated by Muslims every year to into transparent, impact-driven technology platforms. Supporting the goal of better-deployed philanthropy in the region is the Pearl Initiative’s ‘Governance in the Philanthropic and Non-Profit Sector’ program, which addresses the benefits of a more institutionalised approach to giving, as well as the benefits of adopting better governance practices within the sector. A non-profit think-tank founded by Badr with the United Nations Office of Partnership, Pearl aims to improve corporate governance, accountability and transparency in the Gulf region.

“Selfless receiving of help is just as important as giving,” he says, “and often we don’t help each other as communities as well as we can because we haven’t learned to seek help in the right way. What this means is we’re not recycling ideas, lessons, knowledge, experience, and expertise anywhere near as efficiently as I think we can do as a society.”

Dedicated to intelligently nurturing a better future, Badr drives and inspires change with holistic attention to detail. Additionally, in May this year he joined The Giving Pledge and will contribute a majority of his wealth to philanthropic causes. As he puts it: “I get the sense that giving back is just part of our DNA.”



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