

URL: <https://stvp.stanford.edu/blog/videos/three-facets-of-business>

Edgar Bronfman, Jr., CEO of Warner Music Group, believes business is a circular concept that can be described using three words: believe, listen, and act. First, he says, you have to believe in your vision, your opportunity, and most importantly yourself. Secondly, you have to listen to the market and properly assimilate the facts surrounding your vision. Lastly, it is critical to take action, although it may be difficult for some to change what they have been used to do doing.



## Transcript

But I was thinking about how can I distill into just a few words or a phrase, how I think about business, and how I act and behave.. And of course, that's a very American thing to do, which is to distill things into a slogan or into a series of initials or something like that.. But really, the more I thought about it, I really came around to three words, which are not, in my sense, linear.. They're sort of circular.. And they are these three words: believe, listen, act.. And as I said, that's a circular issue, because in order to be an entrepreneur, at the very base of it, you have to have an act of faith.. You have to believe, you have to believe in your vision, you have to believe in your opportunity, you have to believe in yourself.. And without that belief, that act of faith, that passion around whatever vision it is you believe in, really, there's no chance of success because there are so many roadblocks and so many difficulties along the way.. And certainly on a larger scale than all of you have, at least initially encountered, but it's frankly no different, scale to scale, with different issues.. The same thing was true when we wanted to buy Warner Music..

Everybody said, "The music industry is dead and gone.. Why would you want to do this?" And I had to convince myself, but I also had to convince my partners that it was the right thing to do.. And if you don't believe it, if you can't passionately make the case, you can't convince anyone.. And you can't convince them if you don't feel it yourself.. But the second thing, which is: to listen.. And by that, I mean--well, someone once said to me, and I thought it was a great phrase, "It's very hard to listen while your mouth is moving." And that is true.. But the second part is, no matter what you believe and no matter how much you believe, there has to be rigor around what you commit to doing.. So you've got to listen to the market, to the customers, to the facts, to the situation because belief without rigor is just a belief.. But it won't actually matter very much.. And you will not then act in the right way, if you haven't properly assimilated all the facts surrounding whatever vision or dream you have..

And the third issue, which is: act.. It sounds obvious, but in fact, inertia is the strongest force in the universe.. It is actually very hard for people to do something different than what they're used to doing.. It may be the hardest thing, generally, for human nature to adapt and to change, to actually take action as opposed to watch others take action.. And that is, fundamentally, the difference between leaders and entrepreneurs and everyone else.. It's not that leaders necessarily have better ideas, or entrepreneurs have better ideas.. It's just that they act on them.. And that's a huge leap of faith.. So in order to act, you have to believe.. And in order to believe, you need to listen..

And then once you listen, you need to act.. And that's why I say it's a circular issue...