

Defining Leadership

An Interview with Vincent Viola, Founder and Chairman Emeritus, Virtu Financial

EDITORS' NOTE Vincent Viola is Virtu Financial's Founder and has served as its Executive Chairman since November 2013. He previously served as Chief Executive Officer and Chairman of Virtu Financial and its predecessors since April 2008. Viola is one of the nation's foremost leaders in electronic trading. He was the founder of Virtu East in 2008, a founder of Madison Tyler Holdings in 2002, and the former Chairman of the NYMEX. Viola started his career in the financial services industry on the floor of the NYMEX and became Vice Chairman from 1993 to 1996 and Chairman from 2001 to 2004. Viola graduated from the U.S. Military Academy at West Point in 1977. He later graduated from the U.S. Army Airborne, Infantry and Ranger Schools and served in the 101st Airborne Division. In 1983, he graduated from New York Law School.



Vincent Viola

What led you to create the Combating Terrorism Center at West Point?

The Combating Terrorism Center is a direct result of my experience on September 11, 2001, from watching the towers collapsing from the ferry station across the Hudson River in New Jersey to my work as NYMEX Chairman in the immediate aftermath of the attacks, working with Exchange leadership to reopen the markets. I had two realizations over those first days, and both came about through prayer. One was

that our way of life, and the values that our nation was founded on, were actually being attacked, and I concluded that terrorism was now systemic, and probably a principal stratagem in the geopolitical context of great power competition. Subsequently, I concluded that the Academy should be one of the intellectual crucibles from which the combating of this set of tactics and strategies should be developed.

The core principle upon which the Center was founded was the idea that we had to encourage true intellectual humility so that our

defenders could examine and understand these irrational and random actors in the context of their own perspective, and frankly with empathy. We needed to understand the threat holistically. So, the Center was founded as an academic entity where rigorous, and non-political discourse could occur, and research could be undertaken to help support the military units that were going to be engaged in, what I thought, was going to be a long war that involved military engagement. And of course, I felt that the academic study that we envisioned doing so much to inform the "tip of the spear" should be located at the U.S. Military Academy because it was clear to me that the young men and women attending at the time, and those who would attend for many years to come, were going to have to deal with this threat as a significant part of their professional soldierly development.

Will you highlight the work of the Center today?

The Center continues to serve, first and foremost, as an academic resource for the cadets. The Academy, with great foresight, created a minor in the study of terrorism. The primary function and mission has always been to prepare the cadets academically and intellectually and create and

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Did you always know that you had an entrepreneurial spirit and desire to build your own company?

I have never truly considered myself an entrepreneur, as much as a self-employed person who is responsible to the people that I have asked to join me in realizing a specific vision. I have always enjoyed taking responsibility for bringing my ideas, and my perceived outcomes, to fruition. I have my notions on how systems could best work, or how organizations might best function. I was very lucky because I entered a somewhat unique time, place, and market structure of Wall Street that was on the cusp of real evolution, particularly once financial futures, and foreign exchange futures, and the financialization of oil were about to become products, a financial asset class, which occurred as I was coming into my own on Wall Street as an independent trader. So, from the first day on the floor of the New York Mercantile Exchange, I was responsible to only one person in terms of profit and loss, and this was a feature in our particular strain of Wall Street culture that suited my personality and my capabilities.



Matthew Tkachuk of the Florida Panthers scores a first period goal against the Carolina Hurricanes in Game Four of the Eastern Conference Finals of the 2023 Stanley Cup Playoffs at Amerant Bank Arena on May 24, 2023 in Sunrise, Florida

“When you have people who love you and support you, and you can share a hearty, simple meal around a kitchen table at the end of the day, you’re blessed.”

develop within them the skill of critical and empathetic thinking around these problems. Today, it does so through its research, its system of fellowships, and full-time tenured faculty members. A primary product is the Sentinel, the CTC’s publication that is a highly regarded resource for the discussion, exchange of ideas, and objective research into terrorism and its contemporary manifestations.

What interested you in owning a professional hockey team, the Florida Panthers?

From my earliest years, I had a deep love of playing roller hockey on the street as a young man. As a sports fan and a New York fan, some of my best memories were from the age of 11, taking the subway to go see the Rangers play at the Garden. I was blessed to see the Rangers play in the old Garden and the new Garden. I have always loved hockey, and sports as a business has always intrigued me, so when the opportunity to own an NHL team was presented to me, I was honored and excited. I learned a great deal about the business of sports from the Ratner family during the years I had the opportunity to be their partner in the then-New Jersey Nets of the NBA, and to be a part of their vision for bringing the team to Brooklyn, the borough I grew up in.

Why the Florida Panthers?

Our family has always seen South Florida as a second home in many ways. My wife, Teresa, spent her childhood summers with her grandfather who was a resident in South Florida. Her parents and my parents were all snowbirds down here at different times. We brought our boys down here every winter to see their grandparents as they were growing up, and so we had always envisioned retiring to South Florida. As I was beginning to plan for the succession to the next generation of leadership at Virtu, quite frankly I got really lucky that the Panthers were seeking new ownership and we were able to answer the call.

Where did you develop your passion for horse racing?

My passion for horse racing was a direct result of the fact that my father was my best friend in my life, and he had an infectious passion for the sport. Every single day he would read the newspaper that best covered the sport of horse racing – I believe it was called the Daily Telegraph – and he would handicap every

day. Every chance he got, he would go to the racetrack, so as soon as I was old enough for him to take me, I went with him.

Every time I enter a racetrack, or look at one of the horses I’m so blessed to be the owner or part-owner of, I feel like I’m with my father. He was my best friend. Every race I watch, I can feel my father’s spirit inside of me.

What do you see as the keys to effective leadership?

Well, whatever leadership ability I have or do not have was developed in the military, at the United States Military Academy. I could reduce it to specific lessons and experiences, but if I had to describe leadership generally, I think there are three or four features that most good leaders demonstrate.

In no order of priority, the most successful leaders I’ve observed are first, humble. Humility is a significant factor. Second, they are committed to being servants of those whom they’re responsible for, and they’re dedicated to making sure that the people they are leading fulfill their maximum potential.

I think decisiveness is incredibly important. I think kindness is a critical feature of a real leader, and I think the driver, the basis of all of it, is a dedication to simple integrity. Organizations that develop a standard of simple integrity and truly open communication are usually a reflection of a good leader.

How did your time at West Point impact your management style?

My time at West Point has completely defined my management style. I can reduce it to two or three dictums that were taught or modeled from the first day as a cadet. They are:

You never ask a soldier to do something you wouldn’t do yourself. You have to be the last person to eat in your unit. You have to be the person to make critical decisions, but you have to sincerely listen to your surrogates. You have to have respect for each of your soldiers as individuals. You must conduct your military leadership through unyielding empathy. And communication usually breeds a collective discipline that, once achieved, will build excellence and dedication to purpose.

I think those are some of the lessons I tried to incorporate into my management style. But essentially, everything was built on the honor code, really, which is: you will not lie, cheat, or steal, nor tolerate anyone who does. And you have to treat your soldiers as a servant would treat a master because, at the end of the day, your unit’s success is going to be defined by the weakest link in your chain. That’s what has to hold.

I think the other part of my management style, which I’ve tried to incorporate from a military education, is forward planning with a lot of room for adaptability. The military profession is based on the paradoxical nature of war, so we essentially strategize based on the conditions that we perceive that we’re going to have to deal with in a conflict. Then we set tasks, which have to be measured against a standard of excellence that’s projected, and which results in victory. But of course, war is paradoxical. We can train based on a set of assumptions, but throughout history, we’ve learned that once actual conflicts begin, conditions are random, and the application of force is nonlinear. The leader has to be enormously creative and proactive, not reactive. I think the Academy did a great job of explaining this to us. You have to have trust that goes both ways. I think I was blessed to attend the Academy and privileged to attend right at the end of the Vietnam War, which was a conflict that in many ways still influences our nation and its spirit to the extent that we’ve learned lessons

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around strategy – military strategy, national strategy – from the right decisions and wrong decisions made during the Vietnam War.

Almost all of my professors had very recently served in combat, so these were visceral and real experiential lessons that they were sharing with us – leading people in combat situations, relying on one another alone in the theater of war. I believe that there is a physical dimension to management, and I think it is very important that we have human-to-human contact – working within the physical presence of each other is extremely important. But I don't know if that holds true anymore. So my management style really began with understanding and learning “followship” before leadership.

Who are some of the people that have influenced your career?

I've always described my career on Wall Street as a direct product of the kindness of others. Other people who had no need to take a unique interest in me did. My career was greatly influenced by Donnie Vassallo, a life-long friend who brought me to the New York Mercantile Exchange for the first time and really convinced me that I could succeed there. There was a gentleman who owned the clearing house named Gil Meyerfeld who became a role model and mentor to me. Another larger-than-life gentleman, Herbie Weinberger, about 6'3, shocking red hair, combat infantryman badge in Patton's army, who took me under his wing and cleared me. Gentlemen like Leo Malamed and Jack Sandner from the Chicago Mercantile Exchange. And then later in my career, friends like Dick Grasso and Ken Langone. There are really too many to mention because I am sure I'll leave out people who've impacted me greatly. I've been helped by so many people along the way. In the military, I had so many classmates who were my load-star of what it meant to be good soldiers. I had the privilege of serving under retired Lieutenant General Joseph Kinzer, who really influenced my understanding of duty, and in my later life, General Wayne Downing and General John



Vincent Viola speaking at Baptist Health IcePlex as part of a long-standing partnership between the Panthers and Baptist Health South Florida

Abizaid have been my anchors in my attempt to continue in service to the military.

What advice do you offer to young people beginning their careers?

I think the most important thing for young people is to be fearless in the pursuit of discovering what it is they can be passionate about. This doesn't simply mean pursuing the things you're interested in – it means figuring out how to become passionate about the things you are pursuing. Sometimes finding the beauty in a task transforms it for us. That's first and foremost. The second piece of advice I'd give them is to constantly develop your willingness to serve others. Share information, enhance ideas, and collaborate. Collaboration is just so important to a young person starting out – test your ideas with as many people as you can. And you must be willing to develop a relentless work

ethic. It's a cliché, but true to say work doesn't feel like work when you're pursuing something that you love, something that you are passionate about. That something doesn't have to be a particular field – it can be as specific as a particular outcome, but if you're passionate about it, it won't feel like work – it feels like it's organic to who you are. I think the number one symptom of a flawed pursuit is a young person who's carrying unexplainable stress within them. By this, I mean negative, debilitating stress as opposed to positive stress that propels you – inspirational stress.

I always told my sons, that whatever business they wanted to pursue, they needed to learn from the ground up and know how to fill every role in the business. If you want to open a restaurant, start by learning to wash the dishes, because you have to know your operation at every step of the way to understand its real health.

With everything that you've accomplished in your career, are you able to enjoy the process and take moments to celebrate the wins?

I suppose I don't think of life in terms of winning and losing. I love my life. I've always loved my life. I've had a blessed life. Successes and failures are both just outcomes of your best effort to serve – neither defines you and you can squander success as quickly as you can put failure behind you. I know how blessed I am and how much I enjoy the everyday and I feel the same way about life at this point in my career as I did as a young boy in Brooklyn. When you have people who love you and support you, and you can share a hearty, simple meal around a kitchen table at the end of the day, you're blessed. So, know that and go out and take risks because what is a failure when you can come home to family and food? ●

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