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Subject: Week 133 learnings - Maximising One Variable Mistake

Dear All

I hope all of you are fine and doing well.

In the current phase the pandemic is closer home to a number of us when our own friends relatives and colleagues are catching it.

Stay brave, we will come back.

This week I was watching the England West Indies cricket series sporadically every evening.

One statistic that made me think was something Nasser Hussain and Michael Holding said out up.

They mentioned that teams that bat first and score 450 have a 75% chance of winning and teams that bat first and score 550 have a 65 % chance of winning the test match. Sounds wrong right? Well the truth is that they use up more of one other variable – TIME and hence cannot bowl out the opposition in the time they have.

I thought to myself about the number of such things we go through as leaders in organizations. I have out a few of them and this is not exhaustive:

1. We try to be nice to people and before long the organization has little accountability left in it. The challenge is to balance the caring with driving accountability. This is what many managers and professors called tough love. The opposite is true, being tough all the time also doesn't help.
2. Some companies have a volume at any cost philosophy. A company I ran had this philosophy for a few years and ruined the mental attitude in the company. No one was bothered even if they were selling at a loss since they felt that the parent company wanted only volume. This caused immense damage to the culture and also to basic accountability.
3. Another one is quality. In many cases, the company overengineers the quality for a market. All quality is at a price and hence a trade off on price quality. Such brands are challenged when they recognize that the consumer accepts a little less quality but with significantly better value.
4. We have tried to maximize the number of women in an organization. Bringing in women alone doesn't help. We recognized that men had to be coached in dealing with women. When we did the latter, we had a better culture and better diversity appreciation.
5. Too much pressure is also counterproductive as one variable. People need to be challenged and asked to lift their game, but if one only does that, then the results will be counterproductive.
6. Take PE firms, they maximize one variable – profit. In doing so, they strip the company of middle management and much needed capability. All PE forms after the first two years are challenged because there is no growth.
7. Finally with Unions, and employees , managers tend to buy peace at any cost. This has hurt many companies and instilling basic discipline takes time after that. Everyone then starts crying since the crying baby is spoilt the most.

In the pandemic, everyone got excited with webinars, now the webinar drag is showing, people really want engaging webinars and not just another webinar. A webinar isn't the only route to engagement

So next time you are chasing only one variable to maximize, remember the cricket story that sometime a little less of something but an added variable can give you the desired result.

Enjoy, feedback welcome

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