

J. Michael Locke

Musings

#28: Don't Stop Short or Oversteer April 19, 2020

Many of us have had the pleasure of teaching a child how to drive. Two basic challenges our kids had (which I think are a shared experience) are abrupt braking (ala Seinfeld "Stop Short") and the oversteer, where a turn quickly goes from 90 degrees to 120 or more. Developing executives can have the same problems.

When the future path looks bad or full of risk, executives can quickly brake. Sometimes to the extreme. A particular business line might hit a soft patch and less developed executives will recommend it be closed down. "It is losing money, lets close it." While clearly you should not accept money losing endeavors, let me encourage you to work on fixing it. It is an important cultural statement to not walk away from a challenge but work through how to solve the riddle. My mentor Bob King once said to me "we are builders not closers" when I wanted to exit a struggling partnership. Even if you end up having to shut the relevant activity down, the whole team will be better for trying and many times will fix things.

This also applies to personnel. Developing executives can be quick to label the team member as nonperforming and want to fire him/her. Remember that the manager's job is to develop talent *not* just assess it. I am from the growth vs assessment camp in the K12 evaluation debate. A teacher should be evaluated by pre- and post-assessments to see how much learning occurred. Similarly, the best executives are the ones who can "grow" their talent.

The social media and influencer world is leading to oversteering. The heat goes from zero to boiling in a matter of days in today's viral world. Too many people then oversteer in reaction to the pressure. I recommend holding out, focusing long term and stay on course. Remember the Governor of Virginia and his KKK picture? You might be surprised to learn he is still there and leading through the Covid 19 crisis. It is a marathon not a sprint. Remember, "insecurity is loud, confidence is quiet" (not my quote but don't know the source.)

Good strategic thinkers who may have plenty of experience can also oversteer. They often believe they know where the market is going (and often maybe right) but fail to factor in time. It takes a while for markets to turn and adjust. So you can't move too abruptly and oversteer like a teenage driver. Along with talking too much, this is the weakest part of my game. Even if you have confidence on where a market is going to be in five years, the market isn't there now. You have to stay leading edge and not bleeding edge. Remember, the tip of a knife is known as the bleeding edge. While the tip pierces and breaks through, the cutting edge is the part of the knife that does most of the work (and will create the most value).

Be safe.

jml

Second Thought

Daniel Diermeier is finishing up as Provost of The University of Chicago and will be taking the helm at Vanderbilt University on July 1. He shared with me a great paper on leading through a crisis which is attached.