

J. Michael Locke

Musings

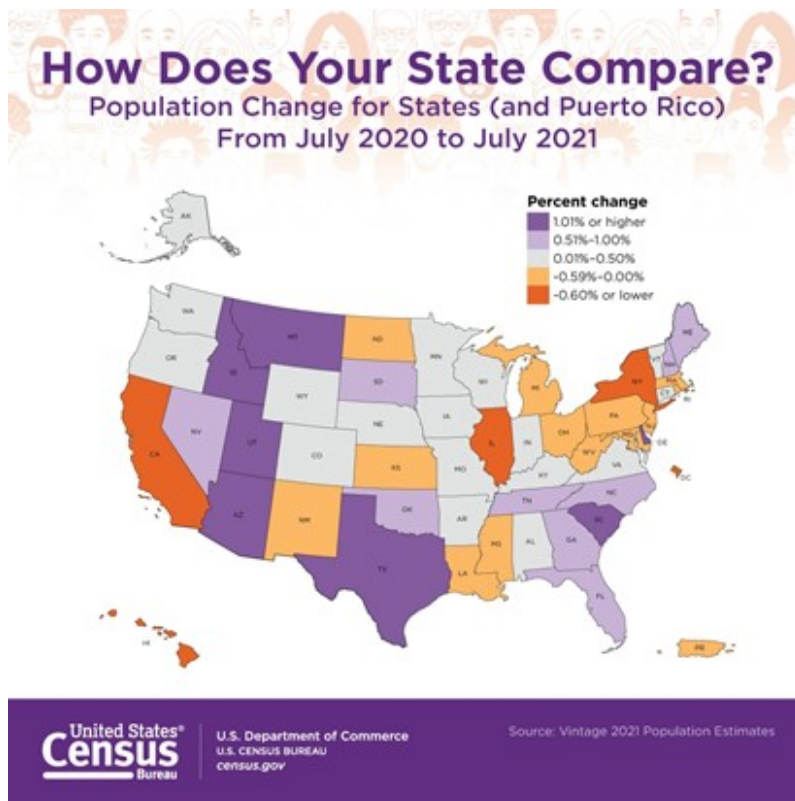
#158: Musing

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Business is like a big competition. You are competing for new customers, for contract renewals or for employees. Key to success is a passion for winning. Losing a client, losing a sale to a competitor, or losing a good employee should really bother you. Operate with a Vince Lombardi frame of mind. "Winning is not a sometime thing; it's an all the time thing. You don't win once in a while; you don't do things right once in a while; you do them right all of the time. Winning is a habit. Unfortunately, so is losing." (Thanks Matt Bailey....vincelombardi.com). When you do lose, drill down hard and figure out why. Make those accountable answer why and what will be different next time. Individuals will not necessarily mean to be deceiving, but they likely will "color" the situation and want to move on. Don't let them. Inspect yourself. Do exit interviews yourself or call a client that didn't renew.

I also look for proven winners when hiring such as former collegiate athletes. Ideally, team captains from sports which require collective execution (basketball, soccer, lacrosse, football). Individual passion for winning can turn into organizational passion which is a key competitive advantage.

According to the U.S. Census Bureau, "the population of the United States grew in the past year by 392,665, or 0.1%, the lowest rate since the nation's founding. The slow rate of growth can be attributed to decreased net international migration, decreased fertility, and increased mortality due in part to the COVID-19 pandemic. "Population growth has been slowing for years because of lower birth rates and decreasing net international migration, all while mortality rates are rising due to the aging of the nation's population," said Kristie Wilder, a demographer in the Population Division at the Census Bureau. "Now, with the impact of the COVID-19 pandemic, this combination has resulted in a historically slow pace of growth."" Illinois is at the bottom of the table actually declining in population (IMO due to government mismanagement).



Unless people start having a lot more kids or we fix our immigration system, we are in for a tough sledd to get economic growth. From Peter Zeihan: “Here in the United States, our demographic realities have long been dominated by the Baby Boomers. The largest generation in American history, they have had an outsized impact on the rapid social and economic transformation of the American post-War era. And as the Boomers enter mass retirement, their exit from the labor force is going to have a similar impact on the American economy. But these impacts won't be felt equally across the board. Cultural and generational differences mean that in certain fields--such as the trades--American Boomers occupy an outsized percentage of jobs. Society pushed Gen X and millennials toward higher education and away from things like blue-collar work. The United States was able to lean on immigrant labor, chiefly from Mexico, to fill gaps. But it was still mainly Mexican Boomers coming to do the work. With the Baby Boomers aging out of the labor pool en masse, and with immigrant flows from Mexico unlikely to ever reach their heyday of the late 1990s, significant pressures on the US labor market are here to stay. One of the industries most impacted? Trucking. And the reverberations of that reality are being felt across the entire US supply chain.”

Be careful with your compensation adjustments in the middle of this labor crisis. As one successful executive put it, “compensation changes only go one way and never go back.” Similar to government entitlement programs, it is basically impossible to ever take them away. As such, you have to be especially careful when putting them in. Try to attract and retain talent with culture, engagement and learning opportunities rather than just money.

I think our public policy leaders in healthcare need to update their thinking. I laugh when I hear “consult your doctor” about the vaccine etc. In my world, most people don't have a primary care physician they can call. In my entire adult life, I have never spoken to a doctor on the phone. It is a transactional world now with most primary care being done by urgent care clinics. Gone are the days of a meaningful

primary care doctor/patient relationship where the primary care physician managed the overall care of the patient. Unfortunately that coordination now falls on the patient (and his or her family) to coordinate care among specialists etc. Our public policy leaders need to recognize this change.

Don't underestimate the power of the default option. Individuals can be pretty lazy and just go with something that is presented as the default choice. Studies have shown dramatically different rates in 401k participation based on whether new employees are automatically enrolled (by default) or have to do something to enroll. I recently experienced it with tipping in a restaurant. The payment tablet brought to the table had an assumed 22% tip (party of 2) and rather than changing it to what I thought was appropriate, I just went along.

An interesting outcome of the pandemic — an increase in foul language. from WSJ: "Mentions of f***, shit and asshole, or related variations, rose 41% from full-year 2019 to 2021 through the of November on Facebook.....Cursing is the yoga pants and Uggs of language."

We have been moving away from ownership and towards renting throughout our daily lives. Now a new trend in England — rent your live Christmas tree. It is more environmentally friendly as the tree gets replanted in a pot and you can get it back next year. tree-rentals-provide-eco-friendly-alternative

Sharing some thoughts from friend Doug Smith who writes around happiness and positive psychology. He points to the need to live in peace with the past through forgiveness and gratitude. "Forgiveness is one of the most important...skills that enable one to thrive or to be happy, and yet it may be the most difficult. Forgiveness is actually two separate skills, forgiveness of others, which is about releasing the desire for vengeance, and forgiveness of self, which is about achieving self-esteem. The second skill of the past is gratitude. This skill is important as it seems to underly all the other skills of happiness. As Cicero pointed out "Gratitude is not only the greatest of virtues but the parent of all others." Live with gratitude and we almost by definition live with joy. It may also be one of the least practiced...With the advent of social media, we now live in a world where we have become experts at counting other people's blessings. Getting back to counting our own blessings and becoming more grateful is [critical.]"

Merry Christmas to those celebrating.

jml