

J. Michael Locke

Musings

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In today's world, all companies are technology companies and all executives need a base amount of knowledge around technology. Otherwise, you end up like Southwest over the holidays and the FAA. At Southwest, their logistical software is very old and customized and was not ready for the loads when the bad weather occurred. It is inexcusable that they had allowed a mission critical piece of software to fall this behind. This is often referred to as "technical debt" and you have to eliminate it. My guess is the CEO did not even know the risk he was sitting on. At the FAA it was more about poor processes. An individual contractor corrupted a file which brought down the NOTAM system and all takeoffs for the entire US had to be halted. It is crazy that they did not have better processes to prevent this from happening. IT is not just an administrative department now. Every organization needs a top notch CIO reporting to the CEO and the CEO (if they are not a technologist) needs to understand enough to manage risk and ensure the right investments are made. CFOs also need to be tech savvy. With the movement to SAAS (software as a service) models, much expense is moving from capex to operating expenses. Companies are buying fewer servers and eliminating on premises data centers. It is now all about "renting" in the cloud and that is going to increase your opex.

One technology to keep watching is ChatGPT. Its public launch has caused a Code Red at Google as they are worried about the cash cow search business. Microsoft is working on putting ChatGPT under its Bing search engine. [chatgpt-caused-code-red-at-google](#) Schools are trying to figure out how to leverage it and students are using it to cheat. Who needs to do homework when ChatGPT will write your assignment for you just with some simple prompts? Some are fighting back and one individual wrote code to try to identify AI written essays called GPTZero. *"GPTZero uses "perplexity" and "burstiness" to determine whether a passage was written by a bot. Perplexity is how random the text is in a sentence, and whether the way a sentence is constructed is unusual or surprising to the app. Burstiness compares these sentences to one another, determining their sameness. Human writing has more burstiness — which is to say, we tend to write with more sentence variation."* [chatgpt-plagiarism-app-gptzero-artificial-intelligence-ai](#) I am going to go back and rewatch the movie Her where Joaquin Phoenix falls in love with an AI engine.

Interesting stat from WSJ: the average new car has about 1,200 computer chips.

The 10 best jobs in America according to US news factoring in demand growth, stress, compensation and work-life balance ([the-10-best-us-jobs-of-2023](#)). Young people should go into healthcare or technology (or ideally the combination thereof).

1. Software developer
2. Nurse practitioner
3. Medical and health services manager
4. Physician assistant

5. Information security analyst
6. Physical therapist
7. Financial manager
8. IT manager
9. Web developer
10. Dentist

You have to give Lina Khan at the FTC credit for ambition. She doesn't like non-compete agreements and so announces that FTC is going to make a new rule outlawing them! I don't think she has the legal authority. Agencies are supposed to write implementing regulations for laws passed by Congress. Executive branches (under both parties) have started acting like legislatures but the Supreme Court is starting to rein this in (reversing the Chevron deference doctrine where courts were more deferent to the agency). I agree that non-competes have gotten a little out of hand – many “low level” retail employees are being required to sign them (ex. Hairdresser) and they really should only be used for executives who have vast amounts of inside knowledge and are paid quite well.

Fortunately most people don't manage their household finances like our federal government:

	Dec. 21	Dec. 22	Change	Change
	(\$ in billions)			
Revenue	\$ 487	\$ 455	\$ (32)	-7%
Expenses	\$ 508	\$ 540	\$ 32	6%
Deficit	\$ (21)	\$ (85)	\$ (64)	305%

Many folks are working on their new year resolutions to be healthier — eating better, less sugar, reduced alcohol etc. I don't hear people talk about the one thing that studies show is the biggest contributor to a long, healthy life — good, strong relationships. Harvard has a group tracking people closely for over 80 years: *“Through all the years of studying these lives, one crucial factor stands out for the consistency and power of its ties to physical health, mental health and longevity. Contrary to what many people might think, it's not career achievement, or exercise, or a healthy diet. Don't get us wrong; these things matter. But one thing continuously demonstrates its broad and enduring importance: good relationships. In fact, close personal connections are significant enough that if we had to take all 85 years of the Harvard Study and boil it down to a single principle for living, one life investment that is supported by similar findings across a variety of other studies, it would be this: Good relationships keep us healthier and happier. Period. If you want to make one decision to ensure your own health and happiness, it should be to cultivate warm relationships of all kinds.”* [the-lifelong-power-of-close-relationships](#)

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