incandescent.

The Stupidest Thing Smart Executives Say

Published on Sep 27, 2016 by Niko Canner



"Don't bring me a problem without bringing me a solution!"

We define <u>micromanagement</u> as what happens when a sponsor – the leader who delegates a goal and specifies a brief articulating what outcome is needed, by when, subject to what constraints – starts doing what should be the owner's work of shaping the path to the goal and making tactical operating decisions. Just as prevalent a trap as micromanagement is abdicating management—when the sponsor delegates the goal, perhaps requests some reports and holds some meetings, but doesn't really engage with the substance of how or even whether the goal will be achieved.

Abdicating management stems from magical thinking about the act of delegation—imagining that by delegating, one can conjure up achievement of the goal itself. Abdicating management tempts us because it can seem to follow from two truths:

- 1. It is the owner's job to shape the path to the goal
- 2. All management strives toward an ideal state in which the owner reliably "has everything under control"

Getting to this ideal state is only possible by finding an owner and specifying a carefully tailored brief such that it is rational to expect work will unfold naturally and seamlessly to achieve the goal. If the owner doesn't have the right set of capabilities, or there hasn't actually been a meeting of the minds about the brief, or if the brief is too hard, or if unanticipated barriers arise... it is senseless for the sponsor to pretend she can rely on success when there isn't any rational basis for this reliance.

Let's take an example. An entrepreneurial designer starts a fashion line. She's selling well online but she thinks she can sell more. So she hires a head of marketing. She articulates a brief: generate \$X incremental sales with \$Y budget, staying within certain brand guidelines, and hitting a few other

Niko Canner: The Stupidest Thing Smart Executives Say

metrics in terms of reach, response rates, purchase rates and the like. The marketer agrees.

Can the entrepreneur rely with confidence on the marketer to deliver? Almost certainly not! There could be many reasons things fall apart on the way to the goal. Perhaps the marketer isn't as capable as he advertised himself to be. Perhaps the entrepreneur had the wrong picture of who her buyers are, so the marketer gets barking up the wrong tree. Perhaps the goal was never realistic. Perhaps there are operational issues with the website that cause customers to drop out of the buying process.

So what should the entrepreneur do about all this? She should certainly not start reaching in and directing the marketer's every move. That's micromanagement. Instead, the entrepreneur should engage in three ways as sponsor:

- 1. **Monitoring and Probing**: The sponsor needs to know enough to be able to make an informed, independent judgment about how the design is working and what vulnerabilities and risks might get in the way of achieving the outcome. This includes understanding how the owner is thinking and working, as well as understanding the most relevant "facts on the ground" that might impact achievement of the goal. How much detailed knowledge this implies and what frequency of engagement is needed depends on the circumstances for instance, the entrepreneur probably needs to know more and engage more with the new marketer than she needs to engage with her experienced, battle-tested bookkeeper about whether the company's general ledger is in good order
- 2. **Anticipating**: The sponsor needs to take what she knows about the owner, the owner's articulated path to achieve the brief and the conditions at hand and, from these, to anticipate the different possibilities for how things will unfold. The sponsor's responsibility is essentially future-oriented "what will happen, and is that consistent with the goal I've specified" and therefore must constantly turn hunches into questions, questions into knowledge, and knowledge into anticipation of events that haven't yet occurred
- 3. **Taking Stock**: Based on this anticipation, the sponsor then needs to take stock and distill all the complexity of the ways things might unfold into a central choice: do I stay with the design or do I change the design (switch owners, change the brief, etc.)? The sponsor should also agree with the owner on where things stand: on track, at risk, etc.

At Incandescent, we find it helpful to synthesize where the owner stands with regard to delivering the brief as a color.

Green: Fully tracking to achieve the goal

Yellow: There are gaps, risks or unknowns that introduce significant uncertainty about whether the goal will be achieved

Red: The owner is not on track to achieve the goal

The sponsor and owner can each synthesize with a color and a short rationale—and either agree or simply be clear they're synthesizing differently. Perhaps the marketer in our example synthesizes "**Green**: I'm working through a bunch of tactics and making good progress in seeing where we're

Niko Canner: The Stupidest Thing Smart Executives Say

most likely to get the ROI we need" and the entrepreneur synthesizes: "**Red**: I see the dollars you've spent so far, and we haven't generated anywhere near the required return." Together, they might find that either or both views is reasonable. The key is to confront any divergence of views on the progress of work head-on.

It's not hard to be the sponsor when things are going well. Abdicating management is the trap of assuming the status is "green," or acting as though it is, when the reality is yellow or red. This is at the heart of why "don't bring me a problem without bringing me a solution" is such a terrible maxim. Not only does saying this mean that the sponsor isn't really engaged in monitoring, anticipating, and taking stock, but it actively deters the owner from escalating problems. The resultant lack of transparency leads to a series of ill effects:

- The sponsor persists in an unrealistically positive view of conditions on the ground, impairing her ability to anticipate how things will go
- The sponsor misses the opportunity to see how the owner handles the problem—including the potential to form a fair and critical evaluation if the owner lacks the resourcefulness to think creatively about how to solve or get around the problem
- The sponsor misses the opportunity to act if action is needed, whether in relation to this specific owner's responsibility or perhaps the interdependent responsibilities of others (e.g., in our example, if there are issues with the operations of the site, perhaps the entrepreneur needs to look into the root causes of performance issues with her development team)

The useful kernel trapped inside this bad maxim is that facing the problem doesn't relieve the owner of the responsibility to own. If an owner confronts a problem she doesn't know how to solve, that doesn't make her any less accountable. Even if the problem is in some sense "someone else's" – e.g., it isn't the marketer's job to fix stability issues on the site – being an owner still entails needing to find a way to ensure that the problem gets solved, if that's what stands in the way of delivering on the brief. Perhaps the marketer needs to cajole the developers, or produce data to show the magnitude of the issue and get the fix moved upwards in the queue, or send the founder daily reminder emails to address the issue with the developers as she promised to. Whatever tactic works.

Part of being a good owner is giving the sponsor the information she needs to provide effective oversight – including when this information is unflattering or uncomfortable. It's a brute fact of business that people who own important goals get stuck. If you never get stuck, that's a sure sign of tragically limited ambition in setting goals. When things go wrong, when people get stuck, this is a fact that should be understood and confronted like any other. When our designer hires her head of marketing, she doesn't become any less accountable for her own higher-level goals to increase sales and build the brand. The responsibility she gives the marketer is a vehicle for achieving these goals. She owns her oversight role just as much as the marketer owns her role of generating incremental sales.

Good management steers between the Scylla of micromanagement and the Charybdis of abdicating management. Like a good captain, a good manager never loses sight either of the destination or of the imperative to confront whatever dangers might be arising at this moment, in this particular stretch of sea.