

What should I do with this \$10,000?

Norm Mandy, Chair Process Management Group

And now a bedtime story for grown-ups.

Once upon a time, there were two mutual fund managers investing in a bull market. The first manager watched market performance, researched the companies looking for overlooked value, read expert economic analysis, and consulted with her colleagues. She picked with discipline and invested methodically.

The second manager seemed to have a knack for picking winning stocks. His fund was doing about as well as the first manager's. He always seemed to have time to golf.

Then one day, the bears came back to Wall Street and scared away the bulls. Both of the mutual funds went down in value. The first manager continued with her investment plan, holding onto those good values and even buying more as the prices fell and were more attractive.

The second manager was a bit nervous – actually he was totally scared! His winners had mostly turned into losers. “That’s OK”, he rationalized, “everyone is struggling right now.” Of course, he was right about that, but it overlooked a more fundamental problem – *he didn't know why his winners were losers* or, for that matter, how to turn the tide in his favor.

You might have guessed that, by the time the bear market ran its course, only one of the managers still had investors who wanted her service. After all, if you had \$10,000 and were choosing one or the other, where would you put your trust?

What did the first manager do to weather the storm? Well, first of all, she sought the advice of other experts and didn't assume that she could figure out everything herself - even though frequently her ideas were right on target. Second, she watched the performance over time, looking for positive trends. Third, she weeded out the losers and tried to apply the hard lessons to her future picks, so she didn't make the same mistakes. It didn't always work perfectly, but overall it led to higher-quality picks.

Whether we pick stocks for a living, manage projects, or improve processes, our bedtime story may have a lesson or two for us all (that's a great thing about simple stories). One of them is to not assume that because our work is going fine, all must be well in how we're going about doing our work. Maybe our task is a bit like a bull market - more of a gimme than we think. Secondly, maybe there really is a benefit to looking at our team's performance over time. How?

- By estimating how long it reasonably should take us to do the job
- By getting a second and third opinion on our handiwork and, as with our friendly stock-picker, setting aside our ego in favor of an improved end result (by the way, in our business we call this part Quality Review or Peer Review)
- By tracking our actual performance against the estimate and looking for trends (the good stuff *and* the uglies)
- By being willing to look at the reasons for differences between the estimate and the actual. Did we mis-estimate? How? Or did it take longer than it should have? Why, and what can we do to improve it next time? These are lessons to be learned and shared with others so they, too, can improve
- By tooting our own horns once in awhile when the numbers confirm we're doin' great. Some people call those events Best Practices

Process Management wants to know how you're investing your \$10,000, in a manner of speaking. If there's a better way to get the work done, they want to hear about it. If your team learned something the hard way, have pity on the next poor soul and tell them your story (note to process managers – don't point fingers!).

I'd have kept writing, but hopefully you get the general idea. Besides, it's time for me to roll up my sleeves and get back to work.

Biography:

Norm Mandy, PMP and Chair, Process Management Group at Software Engineering Solutions is a retired Air Force officer with over two decades in both leadership and technical positions. His breadth of experience includes Quality Assurance, Project Management, Process Engineering, and Risk Management. He is recognized for his leadership abilities and project management expertise. He is actively involved in establishing high maturity processes and SEI authorized SCAMPI appraisals.