SOCIETY OF ACTUARIES

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Team Impossible

by Brian Pauley

One of my favorite TV shows is The Food Network's *Restaurant Impossible*. Each episode features renowned chef and restaurateur Robert Irvine, who is tasked with fixing a failing restaurant in two days on a $10,000 budget. While the changes he makes are very dramatic and make for great TV, what stands out most to me is the degree of blindness to basic strategies that would make restaurant owners successful.

Actuaries are in the risk—not restaurant—business. However, if you lead a team, department or organization of any type, you are susceptible to similar problems from a leadership perspective. The result can be compromised success. Below I discuss some of the lessons I've seen owners on the show learn the hard way. Hopefully you will avoid making similar mistakes in your leadership.

LEADERS CAN'T AND SHOULDN'T DO EVERYTHING

If you are a one-person show: the owner, general manager, chef, a host and a waiter - you have a major problem. Many episodes feature leaders who work more than 80 hours per week. The reasons vary from saving on payroll to an unwillingness to give up responsibilities. The end result is always the same: failure.

Are you pulling the data, running the models, addressing external inquiries, reviewing everyone's work, attending all of the meetings and leading the team? You shouldn't be. Everyone on the team should have a defined role – and have the freedom to perform. Think through what each individual's role should be and discuss your expectations. When your team needs help or is struggling, by all means jump in and help. But, there is a critical difference between helping and micromanaging.

CREATE STRUCTURE AROUND IMPORTANT PRACTICES AND PROCESSES

It never takes Chef Irvine long to identify critical process problems. Too often menus are overly complicated, food preparation is not set up to ensure quick service, computer systems are not utilized to track costs, and hope is a key strategy.

You must understand and identify key processes and have structure around them:

- How are assignments and projects delegated and tracked?
- Is everyone aware of deadlines?
- Do meetings have a set purpose and agenda?
- Do you have a mechanism for saying *no* to requests and projects when your team runs out of capacity?

The late Coach John Wooden, well-known for meticulous planning and execution with his basketball teams, said it best: *"Failing to prepare, is preparing to fail."*

ESTABLISH AN OPEN PIPELINE FOR FEEDBACK

Restaurant owners are often surprised, if not stunned, by the feedback obtained from employees and customers. In fact, they are often delusional about critical items such as food quality and customer service.

As a leader, it is in your best interest to create an environment encouraging employees and customers to openly discuss their ideas and concerns. Too often, employees do not feel they can. Or just as bad, they feel if they were to do so, then nothing would happen. Therefore, it is important to genuinely seek feedback and follow up with actions. Be careful not to become a sounding board for mindless complaining. Request that complaints be accompanied by suggested solutions.

STRIVE FOR CONTINUOUS IMPROVEMENT

Owners often talk about the good ole' days when they turned a profit and had a restaurant full of

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patrons. Their attitude implies that since they were successful in the past, they must be doing something, if not everything, right (despite the obvious failures).

Past success does not guarantee future success. Leaders must constantly challenge practices and thinking. You must be willing to take risks and learn from mistakes. Be intentional about this. Talk to other leaders. Read books. Challenge everyone to step their game up. Otherwise, you may get taken out of the game.

TAKE CARE OF PEOPLE

People are your greatest asset. Engaged employees give their best effort. And when they do this, it makes customers happy. Happy customers bring profits to your business. Your team may not interact directly with the company's actual customers, but you must develop a culture where everyone receiving your work product is thought of as a customer. If you provide the CFO with reserve estimates, then the CFO is a customer. If you send a rate quote to an agent, then the agent is a customer.

Don't take the above lessons for granted. They just might be the blind spots keeping you from achieving the success you desire as a leader. Meet with your team to genuinely discuss how things are going, and take action to correct any deficiencies. Otherwise, you may find yourself on a spin-off called *Team Impossible*.

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