

# How Will You Measure Your Life?

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## The Process

That experience had a profound influence on me. When people ask what I think they should do, I rarely answer their question directly. Instead, I run the question aloud through one of my models. I’ll describe how the process in the model worked its way through an industry quite different from their own. And then, more often than not, they’ll say, “OK, I get it.” And they’ll answer their own question more insightfully than I could have.

One of the theories that gives great insight on the first question—how to be sure we find happiness in our careers—is from Frederick Herzberg, who asserts that the powerful motivator in our lives isn’t money; it’s the opportunity to learn, grow in responsibilities contribute to others, and be recognized for achievements. I tell the students about a vision of sorts I had

while I was running the company I founded before becoming an academic. In my mind’s eye I saw one of my managers leave for work one morning with a relatively strong level of self-esteem. Then I pictured her driving home to her family 10 hours later, feeling unappreciated, frustrated, underutilized, and demeaned. I imagined how profoundly her lowered self-esteem affected the way she interacted with her children. The vision in my mind then fast-forwarded to another day, when she drove home with greater self-esteem—feeling that she had learned a lot, been recognized for achieving valuable things, and played a significant role in the success of some important initiatives. I then imagined how positively that affected her as a spouse and a parent. My conclusion:

“Management is the most noble of professions if it’s practiced well”.

No other occupation offers as many ways to help others learn and grow, take responsibility and be recognized for achievement, and contribute to the success of a team. More and more

MBA students come to school thinking that a career in business means buying, selling, and investing in companies. That’s unfortunate. Doing deals doesn’t

yield the deep rewards that come from building up people.

I want students to leave my classroom knowing that.

## **Create a Strategy for Your Life**

A theory that is helpful in answering the second question—How can I ensure that my relationship with my family proves to be an enduring source of happiness? concerns how strategy is defined and implemented. Its primary insight is that a company's strategy is determined by the types of initiatives that management invests in.

If a company's resource allocation process is not managed masterfully, what emerges from it can be very different from what management intended. Because companies' decision-making systems are designed to steer investments to initiatives that offer the most tangible and immediate returns, companies short-change investments in initiatives that are crucial to their long-term strategies. Over the years I've watched the fates of my HBS classmates from 1979 unfold; I've seen more and more of them come to reunions unhappy, divorced, and alienated from their children. I can guarantee you that not a single one of them graduated with the deliberate strategy of getting divorced and raising children who would become estranged from them.

And yet a shocking number of them implemented that strategy. The reason? They didn't keep the purpose of their lives front and center as they decided how to spend their time, talents, and energy. It's quite startling that a significant fraction of the 900 students that HBS draws each year from the world's best have given little thought to the purpose of their lives. I tell the students that HBS might be one of their last chances to reflect deeply on that.

The choice and successful pursuit of a profession is but one tool for achieving your purpose. But without a purpose, life can become hollow.

"Doing deals doesn't yield the deep rewards that come from building up people."

## **Allocate Your Resources**

If you study the root causes of business disasters, over and over you'll find this predisposition towards endeavors that offer immediate gratification. If you look at personal lives through that lens, you'll see the same stunning and sobering patterns: people allocating fewer and fewer resources to the things they would have once said mattered most.

I came to business school knowing exactly what I wanted to do and I'm leaving choosing the exact opposite. I've worked in the private sector all my life, because everyone always told me that's where smart people are. But I've decided to try government and see if I can find more meaning there. "I used to think that industry was very safe. The recession has shown us that nothing is safe." - Ruhana Hafiz

Harvard Business School, Class of 2010

HER Plans: To join the FBI as a special adviser (a management track position)

## Create A Culture

Important model in our class called the “Tools Of Cooperation”.

Visionary Managers,

- One thing to see into the foggy future with acuity, then chart the course corrections that the company must take
- It's another to persuade employees who might not see the changes ahead to line up and work cooperatively to take the company in that new direction

Knowing what tools to wield to elicit the needed cooperation is a critical managerial skill.

When there is little agreement on both axes, you have to use “power tools” - coercion, threats, punishment, and so on - to secure cooperation.

MIT's Edgar Schein has described this process as the mechanism by which a culture is built. Ultimately, people don't even think about whether their way of doing things yields success.

They embrace priorities and follow procedures by instinct and assumption rather than by explicit decision - which means they've created a culture.

Culture defines the priority given to different types of problems. It can be a powerful management tool.

How can I be sure that my family becomes an enduring source of happiness? The simplest way is power tools, but at some point, those do not work anymore. Parents start wishing that they had begun working with their children at a very young age to build a culture at home in which children instinctively behave respectfully toward one another, obey their parents, choose the right thing to do.

“The financial crisis helped me realize that you have to do what you really love in life. My current vision of success is based on the impact I can have, the experiences I can gain, and the happiness I can find personally, much more so than the pursuit of money or prestige. My main motivations are (1) to be with my family and people I care about; (2) to do something fun, exciting, and impactful; and (3) to pursue a long-term career in entrepreneurship, where I can build companies that change the way the world works.” - Matt Salzberg

Harvard Business School, “Class of 2010”, his Plans: To work for Bessemer Venture Partners

## **Avoid The “Marginal Costs” Mistake**

This theory addresses the third question I discuss with my students—how to live a life of integrity (stay out of jail). Unconsciously, we often employ the marginal cost doctrine in our personal lives when we choose between right and wrong. A voice in our head says, “Look, I know that as a general rule, most people shouldn’t do this. But in this particular extenuating circumstance, just this once, it’s OK.”

The marginal cost of doing something wrong “just this once” always seems alluringly low. It suckers you in, and you don’t ever look at where that path ultimately is headed and at the full costs that the choice entails. Justification for infidelity and dishonesty in all their manifestations lies in the marginal cost economics of “just this once.”

## **Remember The Importance Of Humility**

I asked all the students to describe the most humble person they knew. One characteristic of these humble people stood out: They had a high level of self-esteem. They knew who they were, and they felt good about who they were. We also decided that humility was defined not by self-deprecating behavior or attitudes but by the esteem with which you regard others.

It’s crucial to take a sense of humility into the world. By the time you make it to a top graduate school, almost all your learning has come from people who are smarter and more experienced than you: parents, teachers, bosses. But once you’ve finished at Harvard Business School or any other top academic institution, the vast majority of people you’ll interact with on a day-to-day basis may not be smarter than you. And if your attitude is that only smarter people have something to teach you, your learning opportunities will be very limited. But if you have a humble eagerness to learn something from everybody, your learning opportunities will be unlimited. Generally, you can be humble only if you feel really good about yourself—and you want to help those around you feel really good about themselves, too. When we see people acting in an abusive, arrogant, or demeaning manner toward others, their behavior almost always is a symptom of their lack of self-esteem. They need to put someone else down to feel good about themselves.

## **Choose the Right Yardstick**

This past year I was diagnosed with cancer and faced the possibility that my life would end sooner than I’d planned. Thankfully, it now looks as if I’ll be spared. But the experience has given me important insight into my life.

I have a pretty clear idea of how my ideas have generated enormous revenue for companies that have used my research; I know I’ve had a substantial impact. But as I’ve confronted this disease, it’s been interesting to see how unimportant

that impact is to me now. I've concluded that the metric by which God will assess my life isn't dollars but the individual people whose lives I've touched.

I think that's the way it will work for us all. Don't worry about the level of individual prominence you have achieved; worry about the individuals you have helped become better people. This is my final recommendation: **Think about the metric by which your life will be judged, and make a resolution to live every day so that in the end, your life will be judged a success.**

'Because I'm returning to McKinsey, it probably seems like not all that much has changed for me. But while I was at HBS, I decided to do the dual degree at the Kennedy School. With the elections in 2008 and the economy looking shaky, it seemed more compelling for me to get a better understanding of the public and nonprofit sectors. In a way that drove my return to McKinsey, where I'll have the ability to explore private, public, and nonprofit sectors.

"The recession has made us step back and take stock of how lucky we are. The crisis to us is 'Are we going to have a job by April?' Crisis to a lot of people is 'Are we going to stay in our home?'" - John Coleman, Harvard Business School

## References

- How Will You Measure Your Life?