



# 5 Minute Strategic Mindset

**“You can’t make a recipe for something as complicated as surgery. Instead, you can make a recipe for how to have a team that’s prepared for the unexpected”**

— **Atul Gawande, physician and writer.**



## Can you explain this?

St Vincent’s Hospital Melbourne is right across the road from my house, and I jostle with their staff when queuing outdoors in the autumnal rain for coffees at the local cafes. They’re also a client, and I learned this week from Lyn Amy, their Foundation Director that, during COVID lockdown, two inexplicable trends have appeared.

Firstly, many people undergoing cancer treatment were not showing up for outpatient treatments. Sort of understandable, if they’ve got an early stage diagnosis, not wanting to expose themselves to possible coronavirus infection.

But, more perplexingly, presentations at ED for heart attacks, strokes and aneurysms are DOWN 40%. Yes, read that again. But why? The truth is that nobody knows, but they’re certainly not going anywhere else — and presumably they’re not deferring their cardiovascular failures till after lockdown.

But, here’s the rub: because of this, the hospital is predicting a vast influx of patients once restrictions lift. And, a correspondingly massive demand on resources. I don’t often do this, but you might consider joining me in making a donation to St Vincent’s [Campaign Compassion](#), which is seeking all of our help to top up their stretched resources especially in delivering to people who are most isolated and vulnerable.

Even if you’ve only got a few dollars, they do amazing work and would value your generosity. Whether you give or not, do let me know your theories on why so many people are NOT having heart attacks right now.

**Question: What customer behaviour has surprised you at this time?**

## Single parameter customer service

My wife, Kate, is an [interior designer](#) and recently purchased a couple of thousand dollars worth of bed linen for a client. She brought it back to her studio and immediately realised the colour wasn’t right, so she rang the shop, to let them know she’d return it, unopened, the next morning. They said, “We can’t give refunds, only exchanges”.

My wife explained that they have NO colour suitable so an exchange isn’t what she wants; she was happy to drop them straight back - she’d had them in her possession for only an hour. They responded, “That’s our policy. We’ll issue you a credit note when you return them”. Her story got me indignant, too, but then had me thinking about what degrees of freedom we give to individuals and teams to pursue business objectives. The linen company’s business objective is explicitly, “When you have the customer’s money, hang onto it!” rather than, “Keep the customers as happy as possible”.

The US department store [Nordstrom](#) famously put its entire customer service handbook on a card. It read, in its entirety, “Welcome to Nordstrom. We’re glad to have you with our company. Our number one goal is to provide outstanding customer service. Set both your personal and professional goals high. We have great confidence in your ability to achieve them. Nordstrom Rules. Rule#1: Use your good judgement in all situations. There will be no additional rules. Please feel free to ask any manager any question at any time”.

That’s it. It no surprise that this family-controlled business has been in the 100 Best Companies to Work list for 20 years straight. I’ll be that linen company isn’t even close.

**Question: What degrees of freedom do you give your staff to ensure clients are delighted?**

## One data point is never right

I live in an inner urban street where a half dozen marginally-viable hipster-style retail businesses have shut up shop since March. Reflecting on this, I asked a friend, Marty, about how his business is faring during lockdown.

Marty operates an outlet of a household-name franchised food business, in a different area, and he too seemed pessimistic. I asked him why. He said, “Well, sales are 85% of what they were same time last year”.

I was surprised they were so good, and said so. Marty replied, “No, you don’t understand. Business is down. By 15%. That’s significant”. I said, “But hang on. You’ve got most of your dozens of staff on Jobkeeper Allowance. You’ve got 50% rent relief for three months. And, your franchisor is giving you a break on their fees too.

Surely that’s stripping out more than 15% of your normal cost base?” He started nodding slowly, as I went on, “If so, you’re making more money under lockdown than you would have.” His continued grim nodding was not because he needed to calculate this mentally (he knows his numbers well), but because he was struggling with the incongruity of having to acknowledge that he’s not doing badly.

Marty’s customers are turning up, as are his staff, and he’s banking money each week. His internal narrative though is that, like many retail business, he should be struggling, he is lucky to be in business, and cash is tight.

Perhaps he’s afflicted with empathy for those who are not doing well, and doesn’t want to gloat, or perhaps he truly believes things are tight, but at any rate, he is not looking at ALL the data — and basing his feelings on those.

**Question: What are your true grounds for optimism — or pessimism?**

And, please send me your feedback by email to [ah@workwell.com.au](mailto:ah@workwell.com.au).

Which bullet above is your favourite? What do you want more or less of? Other suggestions? Let me know!

Have a wonderful weekend, all.

Andrew

**Andrew Hollo** wins the international award for the Society for the Advancement of Consulting’s **Consultant of the Year 2020**



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Workwell Consulting 110 Gertrude Street Fitzroy, Victoria 3065 Australia