

Hello, this is Wayne Rivers at The Family Business Institute. Thank you for tuning in. Please give us the benefit of your comments and click on our social media icons too, thank you.

This week I want to talk about the value of a sanity check. When I was a student, I had this business class and the professor brought in successful business leaders from the area. And there was one that came in that I actually had a chance to spend quite a bit of time with after I graduated and got married and everything. But I remember in his presentation, he used this term sanity check and I thought it was really cool the way he used it and the way he said he utilized it in his company. And I had a sanity check this past week that my wife helped me with. We had a flat tire and it's embarrassing to say, I haven't changed a flat tire in probably about 40 years.

Well, the technology is different now from what it used to. I mean you still have lug nuts, but some of them block on. And back in my day you had a full-size spare tire mounted somewhere in or on the car or the SUV. And it was a pretty simple thing to figure everything out. Well, now everything is well hidden. It's just so well engineered. I was marveling at the engineering of it, but to get this mini spare that we have now available you had to basically crank it out on this cable. And so, the tire comes down and I grab it and pull on it. Well, it's still on this cable. It's got like a hockey puck thing that's holding the tire up against the underside of the car. And I looked at it and there was no place to unscrew it on the outside.

And I pulled on it thinking it might just pop off, that didn't work. And my wife looked at it and she couldn't figure it out. And I'm ready to call AAA to come give us a tow and help this poor old man, if can't figure out how to get the spare off. And after a minute or two, my wife took this hockey puck thing and it won't come through the hole it's too big. She just turned it this way. She just turned it 90 degrees and it slipped right through. And suddenly we're off and running we got our spare on and we were able to get home okay. She said it was a team effort and it was because I was about to completely give up. And why is that? What does that got to do with business and what does it got to do with us?

Well the point is this, I was taking the lead on getting this tire changed. I was situationally leading at that point, but sometimes even the best leaders need help from their teams. They're sometimes blind as I was to a different possibility. I was trying to do this, and I just needed to do that, that simple. So, I needed help with that. Sometimes leaders are just flat out wrong. They see things wrong, they interpret things wrong. They just don't see the whole picture somehow. And I can think of the biggest classic business case for this was New Coke. If you guys remember New Coke introduced with much fanfare and golly Moses, we would all as leaders give anything to have a brand like Coke. And here these geniuses came along and they said well, we're going to toss this old one away. And now we have New Coke and it's going to be better.

And the market reacted in the worst possible way. It was a disaster and a flop, probably the most famous business flop in all of modern business history. I don't think those leaders subjected themselves to sanity checks. It is a team effort and leaders need a team of equals. It's not okay in my opinion to have a king and then everybody else sort of relying on that Monarch for making decisions. I think the best leaders have teams of equals and these equals push the leaders, they push each other, they challenge each other, they evaluate all kinds of different alternatives and possibilities. They debate and they sometimes disagree aggressively with each other. Not tactlessly but sometimes they really do have differences and they have to work through those things. But that makes the team stronger.

That makes the team stronger. So, if I think back to this business class that I had and the definition of sanity check, I think a sanity check is a team of equals that pushes a leader and then listening, that's the key. You've got to listen to your team

so that they can help you get the tire changed when you're too blind to figure it out yourself. I'd like to have your comments. Maybe you have some good stories where your wives were able to point you in the right direction too. This is Wayne Rivers at The Family Business Institute. Thank you.