

# 2020 – VOLUME 7 COMPLETE EDITION



# Branches & Roots

Banyan Tree Strategies

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Thought Leadership, Customer Acquisition,  
and CEO Challenges



# SIWT: Loss Aversion's Bitter Aftertaste

2/7/2020



Hello and welcome to a year that will have the Olympics in Tokyo and almost 150,000 hours of sports for you to watch on TV!

Many of those hours will include close-ups on the coaches as they react to the play of their teams. In some cases, the narrative of the coach is now longer and more compelling than the endless line of players who make it on the court of field.



Who doesn't like a good Jon Gruden Smirk or Mike Krzyzewski squirm? It's similar to what we are doing as fans.

In this edition of SIWT we take a quick look at the challenge the coaches face each season on the topic of gaining player buy-in and the unique choices a coach has between using their power or influence.

## When Loss Aversion Loses Its Effects



moment.

As a coach you have a series of common motivators that you can use, we have often pictured these motivators like spices on a rack that go into your coaching soup. You, the coach, have in your soup stock the normal base ingredients of effort, fitness, and strategies. The practices and the games then require you to pull from the spice rack the contexts and dynamics that help you deal with nailing the

All teams start as groups, and during the course of a season the teams can revert to group status in an instant for reasons that range from having a grandparent in the stands, to having a losing record, to having little on the line at the end of the season. The notion of caring about the ball and each other before caring for oneself is counter-intuitive to most. It's this hard notion that attracts so many to coaching. **Team can be special and coaching a winning team can be life changing.**

Most of the spices are used to sharpen the focus of the players, to help them take the risk that comes from giving a full effort. Coaches know that the players will struggle to trust themselves, each other, and the coaches on how much better they can get. The standard the coach can see as their potential has risks. **The tension between what a coach sees and what a player thinks is a normal part of that relationship and typically there are more players than coaches so the dynamic can get tense.**

Some spices are slow to take effect and can have long lasting positive impacts, we have written about these in our **Secret Ingredients of Winning Teams white papers**. Vulnerability, following, humility, and commitment are spices that really change the dynamic of the team. However, they take time to develop, and they also require a large amount of trust to have been developed between the players and the coaches.

**Trust is seldom built from a power-based system, and this is why so many of the spices that are on the coach rack work quickly but leave a bad aftertaste.** A coach controls playing time, this is where their power has the most impact. A coach can use a loud voice and get players to move quickly out of fear. Some coaches don't use a loud voice but prefer to undermine their players with passive-aggressive comments that allow them to still be in control but with a lower profile than the vocal coach.

One of the standard power-based motivators is loss aversion. "Are we really going to lose to this team?" "Is this the group of seniors who are going to break the streak of making the playoffs?" Sociology research has proven that loss aversion has a higher impact than goal obtainment. One of the best examples is **putts for par vs birdie on the PGA Tour**.

But eventually loss aversion loses its impact as does yelling, as does being passive

aggressive. In fact, the dynamic that is key for coaches to realize is that power must be policed, where influence crosses borders without a passport.

The coach will always have the authority and the responsibility for the safety of the team. The coach will manage the game strategy and tactics and select who plays. The coach picks when practice starts and ends and what the team will work on in practice. The players agree to adhere to the rules outlined by the coaches. Power and authority work well in setting this up, much like the pilot and flight attendants enforce the rules on an airplane.

How the team behaves within that framework has everything to do with the influence the coach has earned. **For the coach that only works from a position of power, and this will require a never-ending amount of policing that can only be masked by winning.** Winning creates buy-in from most constituents, and like perfumes can mask a lot of inconvenient smells. Influence is given by the player to the coach and is a precious offering. The player and the coach are both taking the risk of failure in front of others with the players taking most of the risk. Just picture the high school basketball player who bites on the crossover dribble and falls down in the 4th quarter of a road game against a cross town rival. The cascade of verbal assaults and embarrassment rain down on that player.

The coach and the player should be entering into a state of consensual interdependence where both are seeking to use their time together to improve and grow together. Each has a role to play, each is sacrificing. The fully developed coach understands that it takes time to build influence with the players that goes beyond winning a game. The fully developed coach is aware of the effects of the motivators they use and are careful which spices they use during the season. **Loss aversion being one that they know will work, but only for short periods and that other longer lasting motivators must be present in the team soup for real team fulfillment.**

## Help Us Help Coaches - We Need Your Feedback

Sara and I have supported coach development through a non-profit we formed 16 years ago, recently that non-profit was hired by a high school to work with over 100 coaches on building out a team why and an individual **WHY** for their season and helping tie the two apparently opposed agendas together.

In preparation we are seeking answers from people to the following question:

***In high school, how should the academic and athletic classrooms be the same and how should they be different?***

We are seeking as many answers to this question as we can so please give it some thought and respond with your perspective [here](#).

# Implementing the Principles of Endurance

4/14/2020



**It appears a new “X-factor” in leadership for 2020 is endurance.** Nothing is certain right now other than uncertainty. Timelines for most initiatives have either been frozen, killed or pushed out indefinitely. However, as a leader you know not taking action is an action and your team is looking to you right at this moment for the **PLAN**. One dictionary definition of endurance is the quality of **continuing for a long time**.

One of the first things that can come to mind when planning is how long things are going to be this way. How long are you asking people to make sacrifices, how long until we get back to normal? How long is basically another way of asking **WHEN?**

Getting things wrong by predicting a quick turn around on the when and how fronts seem to undermine your leadership in your own mind. In addition, many leaders don't want to be wrong with too dire a prediction. We get caught in thinking that our adult employees are like a young child, and that we can't scare them with the real information.

**Right now, all leaders are caught in the WHEN trap and this is why we think you should punt on the timelines but still have a PLAN.** A great way to do this is to get the team focused on the daily key actions that lead to the long-term benefits of endurance as a competitive advantage.

If you're wondering what we know about endurance, we have unknowingly been acquiring some personal knowledge for decades and had a crash course the last 10 years due to some unforeseen medical emergencies.

Our professional golf backgrounds highly correlate with endurance. I also have completed open water swims in Lake Tahoe and the Maui Channel where the duration of the competition is such that endurance, as a quality for continuing for a long time, is paramount.

Our crash course has been on the medical front where within an 18-month period Sara was diagnosed with a bi-cuspid aortic heart valve that would require open heart surgery and both of Sara's parents would be diagnosed with incurable cancers.

The prescription you get with a bicuspid valve when you are in your late 30's is to be as healthy as you can but to wait for as long as you can because post-surgery you may be on blood thinners for the rest of your life and a second surgery may not be possible.

Sara's parents were immediately put into surgery and then aggressive chemotherapy. Random numbers on charts become the norm, Google searches not very comforting, and seldom found is a doctor who got a minor in empathy.

**What happens when so many family members need care is that you start to shorten up the time frames by which you plan.** You go from thinking where your life might be in ten years to realizing that every 90 days or less you are going to be making new plans. You also start to understand that the PLAN now gets an asterisk next to it. The asterisk is then explained at the bottom of the page, and it reads:

**“Plans subject to change.”**

Endurance, and the benefits of having a recipe for endurance (back to the definition at the top of the quality of continuing for a long time) started to become our constant companions. We also learned to be very aware of a mindset that can appear when the duration of a condition is unknown. That mindset is COPE. For the purposes of this nonscientific publication, we are going to consider COPE to be something to avoid.

“When you COPE you lose hope” is one of our taglines.

This is not to paint coping as the enemy in all settings, in some rooms it is vital. **However, for the purposes of this situation and the leadership challenge that is in front of us now, we are going to want to avoid allowing the team to get comfortable with COPING.**

We are prescribing the positive principles of Endurance with the aim that you will be able to use these to lead your team at time when you can't give them an answer to when things will get back to normal. We will share a story from history of endurance and then offer some key lessons learned from that story.

The stories can serve as inspiration to your team and then you will be equipped to share why your team will endure and then can use the questions, we have provided to help the team navigate the upcoming week.

## Endurance and the Stockdale Paradox



James Stockdale was a POW for seven years in Vietnam with a significant amount of that time being in horrific and solitary confinement at the infamous Hanoi Hilton. In an interview he gave for Jim Collins bestselling book “Good to Great” he shared the dual mentality they formed to allow them to endure their situation and the indeterminate period that they were to be held captive.

Here is a snippet from the book and the interview between Jim Collins and James Stockdale.

*“I never lost faith in the end of the story, I never doubted not only that I would get out, but also that I would prevail in the end and turn the experience into the defining event of my life, which, in retrospect, I would not trade.”*

When Collins asked who didn't make it out of Vietnam, Stockdale replied:

*“Oh, that's easy, the optimists. Oh, they were the ones who said, 'We're going to be out by Christmas.' And Christmas would come, and Christmas would go. Then they'd say, 'We're going to be out by Easter.' And Easter would come, and Easter would go. And then Thanksgiving, and then it would be Christmas again. And they died of a broken heart.”*

Stockdale then added:

***“This is a very important lesson. You must never confuse faith that you will prevail in the end—which you can never afford to lose—with the discipline to confront the most brutal facts of your current reality, whatever they might be.”***

Witnessing this philosophy of duality, Collins went on to describe it as the **Stockdale Paradox**.

What a great line. “Confront the most brutal facts of your current reality.” What are the brutal facts of today as you see them? Could we see the basic confidence in the public stock markets shrink to historic lows? Do you have a plan in place to function as a business with the market at those levels? Do you have a plan for a key sales manager or a front-line manager to be sick and not able to work from home?

It appears that this is a time for leaders to pull the team together and visit some emergency preparedness plans with more clarity and focus. **Have a plan for things getting worse from here so that if that happens the team has practiced recently, and they will know that someone was thinking through this before and not just making it up as they go along.**

It is also a time to avail the unwanted fears of your clients and share with them what you are doing to serve their needs and the processes you have in place to keep them properly allocated.

Your business will endure with certain habits and it is important to have your clients be mentally prepared to endure with you. It seems like if Admiral Stockdale was alive today, he would say:

- Believe strongly that you will get through this.
- See it as a defining period in your life.
- Grow in the process of your adaption.
- Communicate frequently with your team.
- Don't set dates for miracle returns to normal.
- Focus on daily habits that build resolve and address your current reality.

These points of view give us courage and we hope that by passing this example of endurance on to you that you will be able to effectively lead your employees and advise your clients at this crucial time in our country's history.

We view your work as being essential to our country's well-being.

Thank you,

Drew

## **Your Leader Playbook for the Week**

Here is your leader playbook for the week:

- Meet on your regular cadence and address the challenges of "when" planning right now.
- Triage what is most important for this week.
- Help your team remove as much red tape on processes that you can.
- Ask your team to bring up the brutal reality that is present currently.
- Keep the communication lines open and get to work.



# Victim or Victor: Your choice as you Chart a course to January 1, 2022, three big buoys and nine check points

7/7/2020



*This is a series of articles from emails that we were sending out to clients and friends as the CV Crisis evolves. Hope it is helpful for others and also provides a historical context as we all reacted and learned about the seriousness of this virus.*

June was another month of adapting and learning how to decipher the signal from the wall of noise that was building.

Now that we are past the midpoint of 2020 it seems natural to focus on where we should be by year's end, yet somehow it feels like we need to go further out.

My question for you to ponder is this:

## **Where do you want to be 1/1/2022?**

- Think through this from a personal, familial, and work point of view.
- Break the 18 months into 3 sections and then further break it into 45-day periods.
- This will give you 12 gates to go through between now and 1/1/2022.

In your planning consider thinking through what you can control and what you cannot. Do your best to not waste energy or time on things you can't control, like whether we will have college sports on TV.

You can't control if online school means you have children at home, but you shouldn't be surprised by it, allocate time to having a plan to help your kids thrive.

It is very easy to envision the Covid Crisis costing the world billions and 2 years of disruption.

**What is also easy to envision is that the victors will say this period was where they honed their vision and adapted to become their best self and team.**

You won't hear much about these people on the news, the media will focus on the victims. As a leader of yourself and others, the choice is yours, Victim, or Victor.

Let me know if you need any help setting up a 18 month plan, the first checkpoint is August 15th.

Onward,  
Drew

p.s. Way back in March we wrote about "Endurance" and as we start our journey to 1/1/2022 it appears Admiral Jim Stockdale's words are more helpful than ever: <https://www.linkedin.com/pulse/cv-crisis-chronicle-march-29-implementing-principles-drew-sanders/>

# Victim or Victor: Checkpoint 1, what we have noticed in the period from July 1, 2020, to August 15, 2020

8/16/2020



45 days ago we shared our vision that navigating your personal, family, and work lives in this pandemic period could benefit from having a NorthStar heading of 1/1/2022.

Where do you want to be on that day and what do you want your world to look like?

This is our first checkpoint follow up with a few things we have noticed, and some questions we have been asked.

These are bulleted below for your ready reference.

## What we have noticed:

- The virus didn't pack up and leave this summer.
- We all have collectively failed the famous Stanford Psychology study "marshmallow test" on delayed gratification.
- Law makers and leaders don't have a playbook for the pandemic and realize that sharing that will increase the chances they are removed, so information is doled out slowly.
- Our phase 3 trial process in the US will mean we are slower to vaccinate our population relative to other countries (we value 1 life here more than other countries)
- Covid 20, 21 etc are anyone's guess and could extend this period to be the entire decade of the 2020's. (remember polio impacted the US from 1894 to 1955) 61 years!
- The noise around what is true will get louder and louder between now and the general election in early November, plan accordingly.

- There is massive opportunity for positive growth inside families, nonprofits and businesses during this period, and it begins with letting go of what worked in the past. (What works now?)
- Lamenting the changes and the perceived negative outcomes for different sub-groups like "children under the age of 5" can snowball and paralyze your team,
- (touchstone phrases matter) The link has a few from General Jim Mattis whose recent book "Learning to Lead" is our book of the year so far.

That is what we noticed, what about you?

# Victim or Victor Checkpoint 2: Uncertainty and Humility

10/10/2020



This is the third email and second checkpoint in our 1/1/2022 Victim or Victor Series.

## **A quick disclosure on the title.**

Early in the pandemic a friend mentioned the phrase "Victim or Victor" off hand in a conversation and it seemed appropriate, not in a dominance sort of way, but as a mental puzzle.

Kind of like we all get to choose our mindset in every situation and the hope is that you will see the good and work towards the victory.

That friend just lost his wine crop for the year in the recent fires and we are crushed for him.

2020 has been a year of so much loss and required so many people to work so hard to keep things going that it is humbling to even have the audacity to write and expect anyone to have the time to read our prose.

We write to share what we are learning to encourage others and as a form of self-therapy to look for the good amidst the clouds and for us in Northern California the seemingly endless smoke.

Thank you for your friendship and readership.

Drew & Sara

### Uncertainty reigns right now. (Don't forget to still Plan)

- The election, and the pending Covid case spikes appear to be in a tango with so many people's profits, jobs, and lives.
- It is also darn hard to celebrate while others are suffering.
- It can be equally hard to plan when many of the things you had planned for were wiped off the table.
- Yet plan we must and celebration which means (to assemble to honor) can take on special meaning in times like this.
- Here is a post we shared on [CBA planning](#).

### Meaningful Shared Experiences are being created every week in 2020 (this bodes well for the future)

- SE=C=T=Joint Success has been a formula we have shared for years and memorialized for college graduates in 2016 in "[The NextGen Almanac](#)"
- SE stands for shared experiences.
- C stands for a window into your character.
- T stands for Trust.
- The formula is perfect for young people who want to do well, but don't know where to start.
- This is when we share with them the power of pitching in or giving back to a cause they care about.
- One of the natural byproducts of helping out is that you meet other people who have the same interests, and your relationships build quickly in that environment.
- 2020 has created a universal "give back" opportunity and we are building relational bonds for the future.
- Here is a quick how-to on [community service](#).

### Checking in with people in the next 45 days before the holiday rush might be a good idea.

- Listening and sharing go a long way towards building community.
- Pick your channel, email, text, phone they all work and when you ask, "**how the heck did we get here?**" we can only imagine the answers you will get.
- Here is our post on building out a [network](#).

In closing if you want to help out our friend who lost his crop you can sign up for their periodic offerings and wine sales [here](#).

# Victim or Victor Checkpoint 3: What will you celebrate at the end of 2020 and how it may impact your 2021?

11/15/2020



This is the 4th email and 3rd checkpoint in our 1/1/2022 Victim or Victor Series.

Starting at the final 45 days of 2020 and with a national election behind us we imagine you might have a few of your team members remarking how much they are looking forward to being done with 2020.

Sadly, as a leader you know all too well that Monday January 4th will present just as many challenges and opportunities as the previous Monday.

Setting your team's sights further out appears to be prudent and we have compiled a few best practices for your ready reference.

## **Be wary of vaccine watching.**

We hear lots of chatter about COVID vaccines and will rejoice when the right solution is presented at scale, but we don't think you want your people to be the worldwide experts in that narrative as it can be tremendously distracting and demoralizing.

Admiral Stockdale whose 7 years as a POW in North Vietnam make him a good primary source on endurance commented that the people who suffered the most were those who set arbitrary dates on when they would be released.

When the interviewer asked **who didn't make it out of Vietnam**, Stockdale replied:

"Oh, that's easy, the optimists. Oh, they were the ones who said, 'We're going to be out by Christmas.' And Christmas would come, and Christmas would go. Then they'd say, 'We're going to be out by Easter.' And Easter would come, and Easter would go. And then Thanksgiving, and then it would be Christmas again. **And they died of a broken heart.**"

Stockdale then added: "This is a very important lesson. You must **never confuse faith**

**that you will prevail** in the end—which you can never afford to lose—with the **discipline to confront the most brutal facts** of your current reality, whatever they might be.”

### **Keep the daily routines and the key actions in place**

Amidst the consistent noise of rising COVID cases and the concern over pending government actions it may be wise to take a page from Earnest Shackleton's book when he was stuck on the south pole in the middle of winter. Their multi-year struggle with the elements included strict daily routines and even time out for the men to kick a soccer ball around.

When you are asking your team to hang in there every week, it can get old, consider keeping the cadence of meetings at the appropriate level and focus on the key actions that matter. Thinking back to the soccer example, we find it amazing that after trying to use a hand saw to break ice away from a ship that they had the energy to do anything, but the men trusted Shackleton and he trusted the power of keeping a cadence of action.

### **Having the courage to celebrate.**

This may seem crazy, but we think the curious leader will find a way to help the team have the courage to celebrate the year. Turning this scrooge of a virus on its head and leveraging that for the first time in a century we are all have a common foe reminds of the Who's in Whoville singing around the beleaguered Christmas tree in “How the Grinch Stole Christmas” by Dr. Seuss.

Having the courage and curiosity to celebrate with your team could play a vital role in how the first quarter of 2021 goes for your team.

- Who will you memorialize?
- What will you honor?
- What future will you point to?

How you answer these questions could make the difference in having a team that resents everything it sees in the world or one that is buoyed by what they are overcoming and empowered by the resilient spirit that this period of their lives is helping them build. The Who's gathered hand in hand and sang, and while we know we won't be holding hands and probably not be singing, we sure hope you find a way to celebrate.

We celebrate the opportunity to share our insights with you and are thankful for your readership and friendship.

Drew and Sara