



# The Odd Logic Of Pre-Set Goals And Missed Opportunities

*Why does success encourage us to stop and failure encourage us to press on when it should really be the other way around?*

It is very hard to “study” our behavior *vis-a-vis* most anything. We are too busy doing things to step back and watch how we do it — and of course, we aren’t exactly objective when we attempt anything like self-examination. That’s why reading studies about the behaviors of completely different businesses can prove insightful.

Recently I read a study about New York City cab drivers, a subject on which I thought I was already well-versed. As a group, the cabbies were pretty diverse. Yet they all performed the same task, albeit at different times of the day and different days of the week: They drove a fare from point A to point B.

Theirs is a business that has no seasonality (I don’t think people take cabs more frequently or for longer duration in March as compared with November). But there is one big factor that has a direct impact on cab demand: The weather.

Cab drivers are essentially their own bosses. Even when they drive for a company fleet, they have some power in determining how many hours they work. The purpose of this cab driver study was to see how the average New York cabbie decided how many hours to work on any given day. Cab drivers are limited by law as to the maximum length of their shift (I assume it varies from state to state), so they couldn’t decide to drive for 36 hours in a row — even if that looked like a good money-making option.

The first surprising piece of news from the study: Most cabbies do not work the full time allowed by law (which we can fully understand — they probably do have a family and other things to do than drive a cab 12 hours a day). Instead, most of the cabbies worked until they hit a “pre-determined” income goal. Across hundreds and hundreds of cabbies, this goal was very similar. Simply put, the researchers discovered that if a cabbie hit his set goal in seven hours, he considered this a good day. He was officially done and he went home, instead of working any more hours. And on the

flip side, if the cabbie was having a bad day — eight or nine hours had already gone by and he hadn’t hit his goal — he kept working for two, three or four more hours until either he hit his goal or the legal driving time was passed. So far, so good. I understand behavior. But here is where it gets really interesting ...

Living in New York City and having happily supported the cab industry for years, I have noticed that without fail as soon as it starts to rain, suddenly there are no cabs. Now this makes some sense. More people take cabs when it is raining (and New Yorkers are astonishingly wimpy when it comes to rain). However, as it rains more or harder, the cab density on the streets gets thinner and thinner. I don’t mean that the cabs are full and thus unavailable. I mean they are gone. They have disappeared in droves. This phenomenon always mystified me. This is when a cabbie can make some serious cash. As long as it is raining, he is going to have a fare in the back seat. Instead, the cabs are nowhere to be found. This is where the famous “pre-set income target” kicks in. When it rains, the cab driver makes lots more money per hour (he will never find himself driving around looking for a fare). Because he has steady fares, he hits his “money threshold” much earlier — at which point **he goes home**. The more it rains, the more cabdrivers hit their threshold and head for the outer boroughs, thus explaining the dearth of cabs on the street after a few hours of rain.

On a lovely, sunny day the reverse happens. People stroll to the train station or the subway. On these days you would swear that only cars painted yellow are allowed on the streets of Manhattan. The cab drivers work much longer, as they keep going until they hit their money goal, even though they know their hourly rate of income is low and that each additional hour will not bring in much more.

This struck me as completely backwards. Couldn’t the cabbies figure out there was no benefit to working

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long hours when the returns were so low? Clearly the time to work that additional hour or three was when it was raining.

So let's take a harder look at peoples' behavior towards income, hourly rates and amount of effort to achieve a pre-set target. We see that the cabbies worked much longer and harder on days where they were destined *not* to make lots of

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money — and they split for home on days when there was still plenty of money to be made. (Believe me, I know this to be true, having slogged home in the pouring rain for want of a cab).

We read this and are incredulous — yet, I am going to suggest that many of us emulate this behavior. Your sales guys may not want to admit it, but when they make a big sale they'll say something like "Yahoo!" or "Hallelujah!" and call it a day. On days (or even weeks) where they can't seem to get a returned phone call, much less make a sale, they keep slogging away.

In the PVF world we don't have anything as obvious as rain that has an immediate impact on our sales — but I will argue the sales guy, brimming with positive energy and confidence after landing a new client or making a big sale, is exactly in the state

of mind to make another big sale or bring in another new client. This is exactly when he should keep making calls. The time to bag it is when nothing is working right, no one is responding, the sales guy is getting cranky, and due to his sour mood, risks blowing a sale if in fact he ever reached somebody.

And how about management? Do we set weekly, monthly, yearly goals; then pat ourselves on the back when we reach them and *not push* any further? Or on the other hand, do we set unreasonable dollar goals, work crazy hours and always fall short (which is extremely depressing for salespeople and management alike), making it even less likely to achieve these goals in the future?

In short, why does success encourage us to stop and failure encourage us to press on when it should really be the other way around?

Success tells us we are doing something right, or at least the environment is favorable for increasing sales. And failure should tell us that we are doing something wrong and that we should stop and rethink what we are doing before pushing on.

See? Those crazy cabbies aren't so different from us after all!! <<

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### Grooved Couplings

There has been rapid growth of grooved piping systems for low-pressure applications. While grooved couplings have been used for years in temporary water systems and irrigation, now lower pressure, lighter weight grooved fittings and couplings are being utilized in many other applications. They are especially popular in fire protection systems.

Grooved piping systems have great flexibility to make modifications or expansions by maintenance or in-house staff. This system is ideal for efficient dismantling and reconnecting for servicing and cleanout.

Stainless weld fittings are also available in grooved ends to use with thin wall (Schedules 5S & 10S) pipe for corrosive applications. This permits significant cost savings below standard weight (Schedule 40) stainless pipe, as well as much lower cost of rolling the pipe grooves vs. expensive heliarc welding for the connections.

### Welding Outlets

Integrally reinforced forged outlet fittings (Class 3000) in socket weld, threaded and butt-weld ends have been in use for many years to provide branch connections for high-pressure and code jobs. An ever-increasing market has developed for lower pressure applications not requiring heavy forgings.

Many low-pressure outlets are made from pipe or tubing similar to processes used in manufacturing steel merchant couplings. These outlets provide the advantages of creating branch outlets without the expense of adding a tee into the fabrication. Fire sprinkler installations incorporate low-pressure welding outlets in their design. <<

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