Twitter Thread by Matt Willes

Matt Willes
@SkolCapital

Time for my first thread of 2021: Today, How I Measure Myself: a 2020 Report!

With some related thoughts on evaluating management and picking investment managers.

Important note: underlying everything that follows is integrity and trust. Without that, nothing matters.



1) Day to Day: Business Basics

Did I “keep the trains running on time” in 2020? Yes

Do I know how I measure my performance? Yes

How was my performance? Satisfactory

Overall grade: A- (I wasn’t aggressive enough in the markets at the bottom)



Management Thought: Passion not Emotion

Emotional investment decisions tend to be bad investment decisions, but passion keeps somebody in the game - especially when things get difficult

Equally true for investment managers and company management.

Don’t want:



Management Thought 2: Do managers clearly communicate how they are measured and how they evaluate others?

For example, any CEO’s (or investors) job is to allocate capital. Do they measure their effectiveness at allocating capital? How?

Don’t want: “Just need more money”

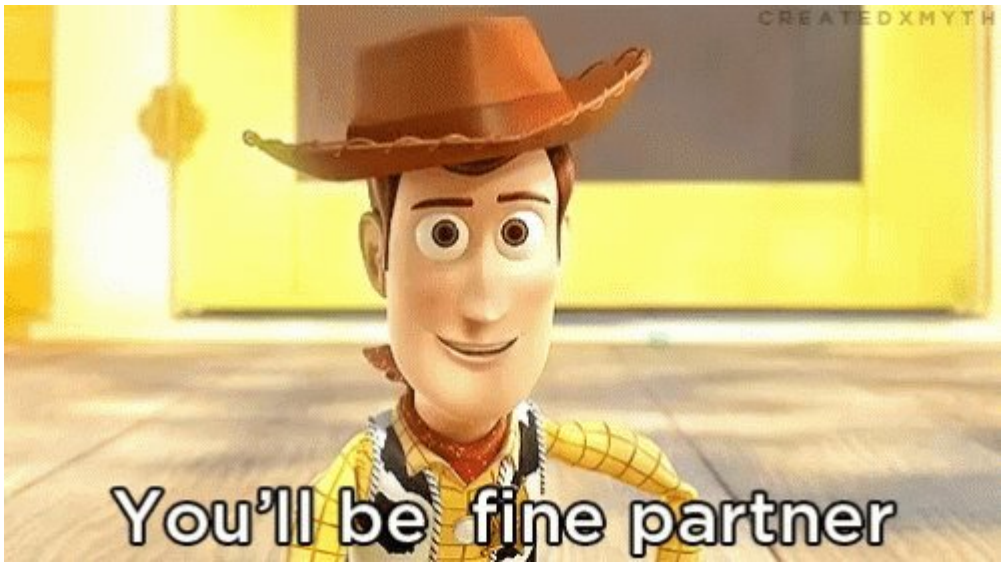


2) Management Skill: Strategy and Tactics

Few are excellent at both. For example, asset allocation vs trading. Or looking at different asset classes.

Am I humble enough to admit where my circle of competence ends? Do I partner/hire - especially outside that?

2020 grade: A



Management Thought: Has the GP (or CEO) brought in help for effective scaling? Have they hired to fill their own weaknesses?

Important Note: Are incentives aligned up and down the organization for everyone's success? Are these incentives clearly communicated?

Don't want:



3) Innovation : Learning From Others

AKA: Am I humble enough to continue learning? Am I courageous enough to put innovations into practice?

2020 Grade: C+

I was adequate on the learning side (thanks to many of you), but I let fear prevent me from taking more risk.

For Me:



Management Thought: Continuous vs Discontinuous Change

Incremental vs Exponential decisions/action

What kind of manager am I talking too? Is the incrementalism willing open to exponential threats/opportunities (and vice versa)?

Am I aligned with their philosophy?

Do I want?



4) Community Engagement: Do I Look Outside Myself?

It’s a big world out there. Am I a good husband/father/grandfather/friend and citizen? Do I genuinely try to help people?

Do I try to deepen and relationships that are important to me?

2020 Grade: A-



Management Thought: business is better with good people

I’m not really into ESG investing, but I do believe in “do well by doing good.”

I don’t think that’s the reason to “do good” but I do believe doing good is simply the right thing.



Final Thought 1: you’ll notice many of these can’t be measured numerically

The best success I’ve had with resolutions/goals/performance metrics has been with things that CAN’T be measured with a number.

Performance evaluation is more art than science

H/t @katiepwilles ■■■

Final Final: This works for me because I tend to be my harshest critic.

I’ve already failed one 2021 goal: eliminating my twitter typo’s, etc.

I can be better, and I will be better!

Here’s to 2021!



@threadreaderapp unroll