

## Moneyball & Trust Metrics



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I should first say that I am not a huge baseball fan. I do enjoy an occasional Cubs game but I don't pay much attention to the league. A friend in our industry turned me on to the book "Moneyball" and then I saw the movie, which was in frequent rotation on one of the cable channels. Okay, I watched it a couple times. At least. The premise - based on a true story - is that by recruiting and coaching based on the numbers (metrics), you can be more successful than basing your decision on other, more traditional factors.

One point you may not pick up on the first time you watch Moneyball is that you have to really understand which metrics matter – it isn't always the metrics that you might think matter the most. Another point that may not be as clear the first time you watch the movie is the point I made earlier: coach against the right numbers. Another mark it took me a couple viewings to notice is that they didn't invent or create metrics - every data point they used was available in their industry.

There are at least two areas where wealth management institutions can use Moneyball-related metrics: the first is sales and sales management; the second is in departmental or organizational performance.

1. Sales and sales management performance-based metrics: The point of tracking the right metrics has been a theme in our sales management programs for a long time. We have had fun for years trying to convince sales managers that they can't coach to a sales result – they can only coach to activities. And they need to make sure they are coaching to the right activities. Same way with service. I hate the word *service* as a way for Trust organizations to differentiate themselves. The reason is that it is too often just a word not backed up by service-based *metrics*.

2. Departmental or organizational performance-based metrics: What are the leading indicators versus results? One mistake people make is confusing the two - both ways. Results are the true financial results from an organization – basically revenue growth and profitability. Everything else is a leading indicator. Leading Indicators are the metrics that you should be managing to. Do you know the leading indicators in your department that lead to the results you need?

How do you manage numbers in your department? Do you have the right numbers available to manage? Do you have benchmarking data to know what a peer or top performing peer might be accomplishing? Do you have enough data to be able to understand why your results are what they are?

I suggest you read or watch Moneyball. Then revisit the scorecards you use, the dashboards you use, the metrics your sales people report, and the metrics you coach against. If you're interested in learning more about Trust performance metrics and how to implement them, visit [www.pohlconsulting.com](http://www.pohlconsulting.com). Let's play ball!