
CAN LEADERS MAKE THEIR OWN LUCK?

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“The harder I practice, the luckier I get”, claimed golfing legend Gary Player. His aphorism has inspired many great sporting and leadership efforts ever since. Like all aphorisms, this one is also very misleading. How lucky did your business and leadership practice make you feel when Covid 19 struck?

Journalist Maria Konnikova once attended the annual Davos talkfest for the rich and powerful, as a rather insignificant observer. She was invited back as a celebrated Guest Speaker. These world leaders were entranced not so much by her literary skills, although they are persuasive. They wanted to know how in the space of one year she had achieved her commitment to take her total ignorance and inexperience in the game of poker, and be crowned National Champion of a prestigious Poker Tournament with prize money of \$US85,000. Being runner up in a second major tournament and making it to various final tables with professional champions, suggested her new status was more than a fluke. Konnikova is not only a contributing journalist for the New Yorker Magazine and the New York Times, she is a graduate from Harvard and has a Doctorate in Psychology. Her primary interest is in the field of Decision Making, and she adopted the game of Poker to explore first- hand the relationship between skill and luck. She recently published a book about her adventures and lessons titled *The Biggest Bluff*.

I know nothing about poker and I have never played it. Konnikova now calls it the beautiful game, but surely that belongs to the Geelong Cats? However, I am interested in what poker can teach leaders and businesses. I am also fascinated to learn that the mathematician John von Neumann, who developed Game Theory

which has contributed so much to the fields of Economics, Negotiation and Decision Making, gained his insights at the poker table. So did the famous strategist Thomas Schelling. Statistician and pollster Nate Silver is also a fan. Unlike many gambling games, poker is not based purely on luck. Like leadership and business, poker is a combination of skill and luck. Maria Konnikova was interested to know if her knowledge and skills at psychology and decision-making would give her an edge when competing with other keen gamblers in a game involving both skill and luck. But she first needed to learn how to play it.

Gary Player is at least half right. Effort and commitment definitely can improve your outcomes. Maria Konnikova's poker trajectory in part confirms this inspiring notion of human agency triumphing over adversity. This is what makes her poker success so compelling. And unlike many other inspiring tales, this one is also illuminating for leaders. It turns out that business and life are much like poker, where chance and uncertainty and pure randomness can never be discounted or fully conquered by skill and intelligence alone. It also turns out that Konnikova is an excellent guide to this world, not only because she knows how to tell a daring tale, but because she is such a purposeful, intelligent and accessible chronicler of what worked, what didn't work, and what the generic lessons are for us. She avoids too much self-glorification as well – she commences her book on the toilet floor of a casino vomiting extensively from a migraine, and blowing her \$US10,000 entry fee for the main event which had been the initial goal of her project. She concludes her book a year later, stretched out on the toilet floor of a casino, in a medical emergency with a large number of her organs shutting down in protest at her strange and hectic lifestyle as an expert poker player. In this article, we will focus on the heavy-lifting which occurs between all the heaving.

Let me issue a spoiler alert here, and indulge in some minor self-promotion too. If you have read any of my previous articles, attended any of my leadership courses or ever been coached by me, you will already know some of the thinking and practices which Maria Konnikova used to become a poker champion. This

reference to my own services is not entirely gratuitous. I too have followed the Gary Player maxim and applied twenty-five years of concentrated effort to become a successful management educator. Part of Maria Konnikova's accelerated formula was to seek out experienced and successful Advisors to teach and coach her in the art of the game. She brilliantly enrolled one of the best and cashed-up poker champions in the world to mentor her in her project. He introduced her to many other professionals who shared their strategies and secrets. She read books, watched videos of beginners and champions, and engaged in on-line courses and tournaments. She interviewed many experts in decision-making, psychology, mathematics and even body language. She travelled the world to engage in tournaments, starting with small fry suburban events and stretching to global poker championships. Maria Konnikova was a very deliberate Learner. And on her learning journey she discovered many things, not specific to poker, which she didn't know she didn't know. Some of these proved crucial to her eventual success - more on this later. Maria's book is as much about the art of learning and reflection, as it is about poker strategy. Even if all my entreaties have fallen on reluctant ears previously, her book finally may convince you of the bankable value of keeping a Reflective Journal and staying in training as a leader!

If I say "Pay Attention", I imagine regular readers will not be surprised by my advice. In this case, the words belong not to me but to Konnikova's poker mentor and coach Eric Seidel. Maria had just asked him to share the secret of his success with her. In poker it is obvious that players need to pay attention to technical details such as cards and calls. Many players now use mathematics and algorithms to forecast probabilities and devise optimal strategies based on such technical knowledge. This quantitative approach often dominates the modern game. But there is still a need to read the people and their preferences too. Konnikova expected her psychology training and experience in observing participants in research studies, to give her an edge here. It did eventually, but she discovered that she was nowhere near as attentive and mindful as the professional poker champions. They were far better at predicting, and adjusting to, the ways

opponents were thinking and acting. Because tournaments can extend over long periods with multiple tables and hands, players can be sitting out hands for lengthy periods and most would be sending texts or watching casino screens. The true professionals maintained their focus on the game all the time. Konnikova soon learnt to read “tells” from other players by observing tiny hand gestures, but she gained even more insight by slowly developing profiles in her head of all her competitors based on close observation of how they played each round.

At one stage Eric Seidel insisted Maria Konnikova stop telling him the outcomes of her poker games, and stop bleating to him about her “bad beats”. The latter are war stories about bad luck or having a great winning hand neutered by a rarer stellar hand. Chance and uncertainty are not surprising in poker argued Eric, they are integral to it. This is true in business and life too. What matters is your strategic mindset and the quality of the thinking behind your decision-making. He no longer wanted to know her results, he only wanted to review her strategy and her thinking for each hand. Learn how to think well and have a competitive strategy, and the rest may follow. You will never get enough good hands in poker to win a championship – you need to learn how to win with poor hands. Eric told her that in poker there are sharks and there are fish. If you are not being a shark, then you are being someone else’s fish. Maria struggled with this advice and she attributes it to gender. Professional women she believes are socialized into a narrow set of acceptable ways of succeeding, and being a shark is not one of them. She wanted to give up on her commitment many times, but instead she listened to her coach and leant on her intimates, reviewed her thinking and her processes, and found more inputs to help her. This aspect reminds me of an interview I once saw with the wife of the wayward Beatle George Harrison, where she was asked for the secret of their long marriage. “Don’t get divorced”, was her wry reply.

Not divorcing poker kept Konnikova in the game, but despite all her improvement it was clear that her goal of winning a championship was as elusive as ever. Yes,

she was progressing further in middling level tournaments. Her technical knowledge and decision-making were improving rapidly now. But she kept bombing out. Sometimes it was just luck. Other times, she betrayed her own strategic thinking in the heat of the battle, with emotional reactions to players, poor choices, or irrational exuberance at the exciting stage of particular games. She was still being another player's fish. This research psychologist was desperate for a breakthrough, and ironically it came not from another technical expert, but from her own field of study. She sought counselling from another psychologist, one who specialized in mental training for elite sports people. He had some key questions for her: Who are you being when you play poker? What are your assumptions about yourself? What is your background purpose for engaging in this project? These are the same sort of questions which we explore with senior leaders to improve their performance. Maria did some digging to understand her Identity, and she began to appreciate more clearly what she personally was trying to prove beyond her academic and journalistic motivations, and how this led her to play scared at critical moments. Eric had told her previously that sharks can be aggressive sometimes, and they can be very patient, personable or even disinterested too, but they don't play scared. These insights were the final piece of the puzzle for Maria, and what I love in her writing is that she doesn't gloss over them. She shares her vulnerabilities, as well as her triumphs.

Can leaders make their own luck? Gary Player would say we can by practising a lot. This is true, but only to a certain extent. Success and failure in business and for leaders can be poor teachers, precisely because chance and luck can play a significant role. The better and more pertinent question right now, is: Can leaders develop the thinking, character and skills which will help them to prosper in a world full of chance, randomness and uncertainty? Maria Konnikova's tale suggests we can, if we are willing to seek advice and accept a bumpy ride.