



ROI, Leadership, and the Civil War

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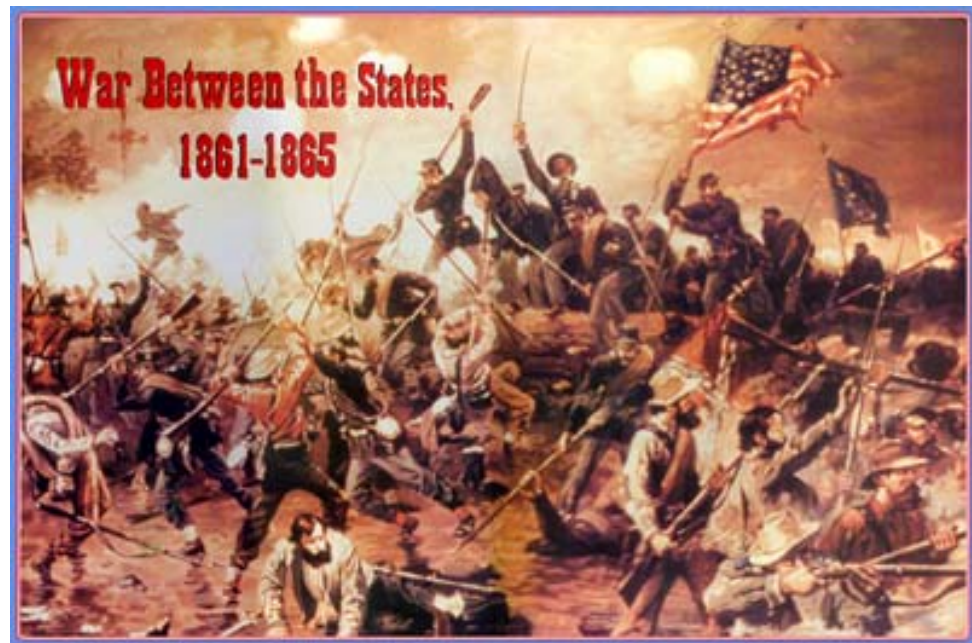


ROI

Quantitative decision-making tools – like Return on Investment (ROI) – are powerful, but are not ideally suited to all situations

ROI is sometimes a poor replacement for leadership and sound intuition

The **American Civil War** provides dramatic examples of good and bad decision-making.





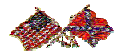
At the war's outbreak the Union commander was **George McClellan**



He was in a unique position to crush his unorganized Confederate opponents

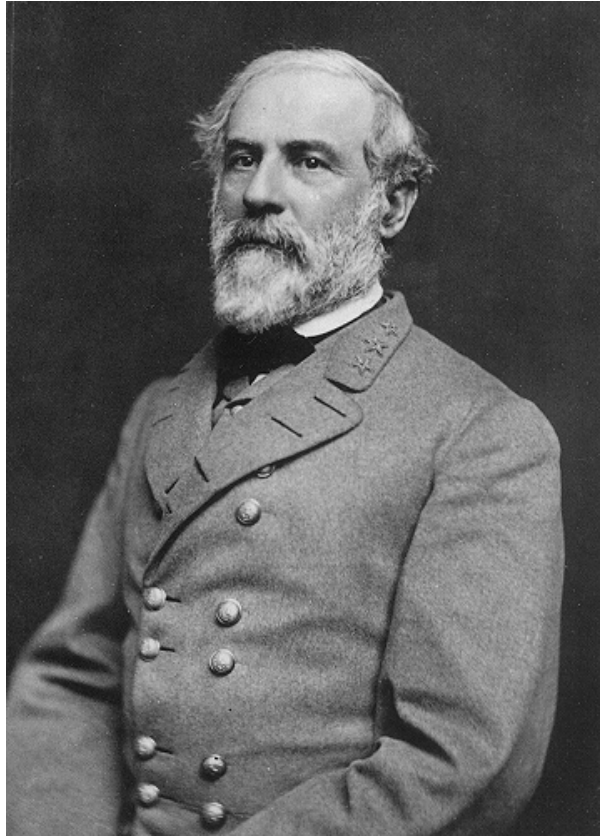






"Little Mac" justified his inertia by greatly overestimating the size of the enemy force



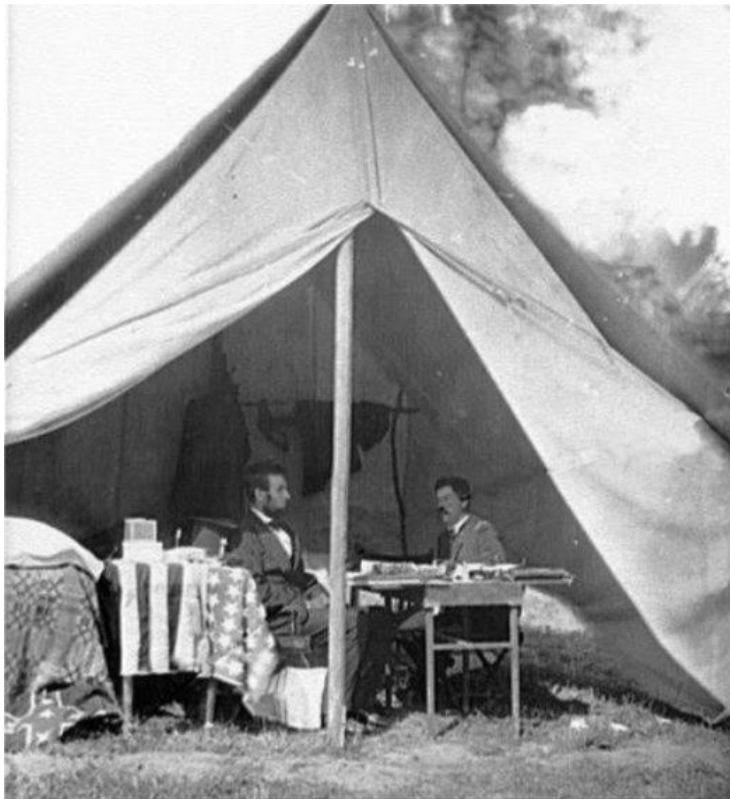
McClellan hesitated, repeatedly asking for, and receiving, additional troops from President Lincoln





-  McClellan was immobilized by a flawed numerical assessment
-  McClellan hesitated and squandered the opportunity
-  The delay gave **Robert E. Lee** time to create the Army of Northern Virginia
-  Never again would the Union army have such an edge

Lesson #1: Over-reliance on “the numbers” can blind decision-makers



George McClellan's strength was in organization, administration and training – not field generalship.



President Lincoln grew annoyed with McClellan's overcautious nature and inertia and replaced him.

The cost of McClellan's being blinded by numbers?



Over the course of the war, 620,000 Americans died in the war.

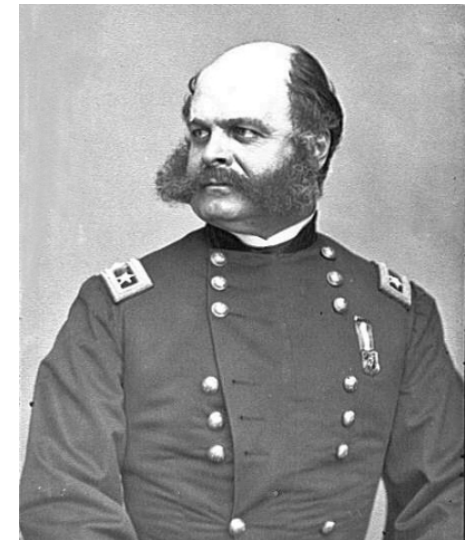


Could the war otherwise have been over in months, instead of years?

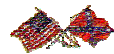
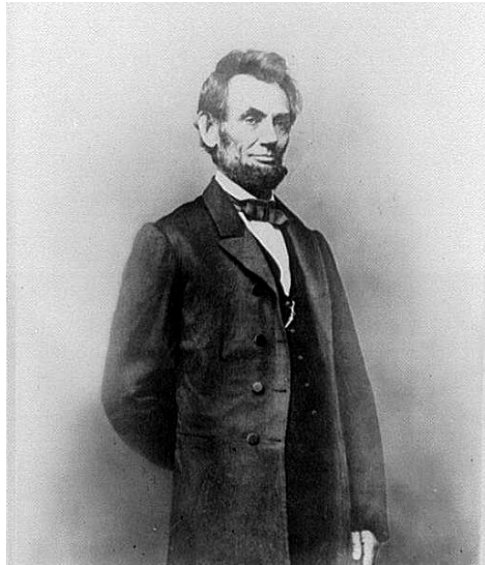
Lesson #2: Ineffective decision-makers sometimes use quantitative measures to compensate for bad leadership ability



- ❖ In December 1862, the new Union commander was **Ambrose Burnside**
- ❖ Burnside faced the greatest leader on either side in Robert E. Lee
- ❖ Lee was a decisive leader, had home field advantage and rock solid defensive positions



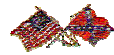
- ❖ Prodded by Lincoln, and fueled by ego, Burnside ordered a **flawed frontal assault** at Fredericksburg



Lee routed the much larger and better supplied Union army



Union losses were three times those suffered by the Confederates



President Lincoln replaced Burnside, as he had McClellan

Lesson #3: Retrospective project review is essential. Act on the findings, as did Lincoln by replacing both McClellan and Burnside

Decision makers don't always perform retrospective assessment

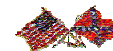
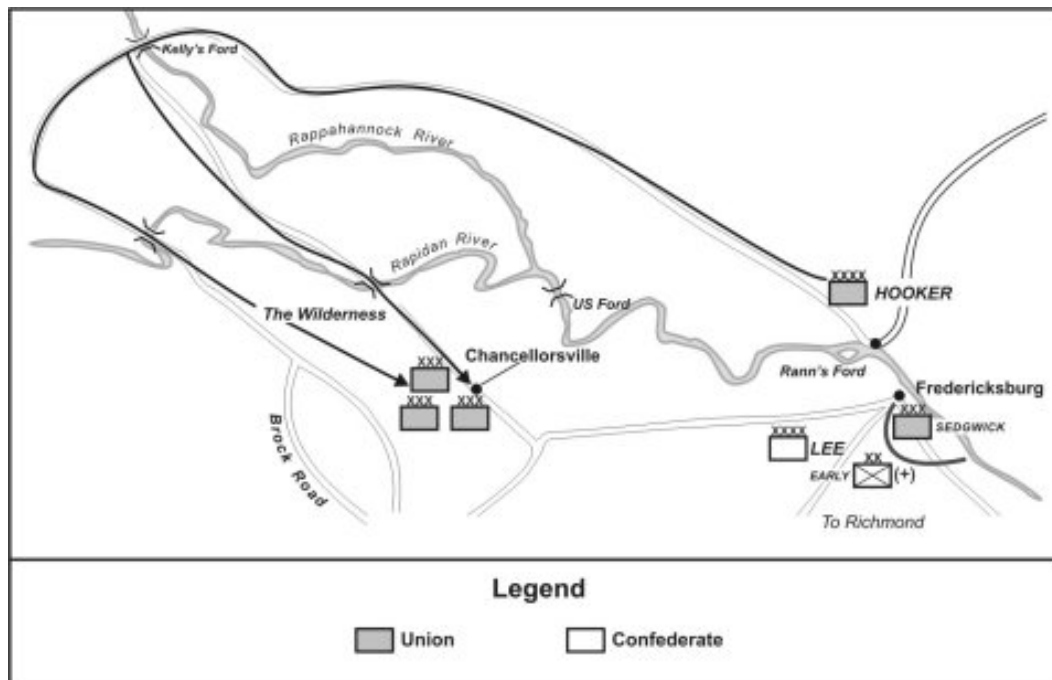
Mistakes are forgotten or hidden; lessons learned are not shared



The new Union commander was
“Fighting” Joe Hooker



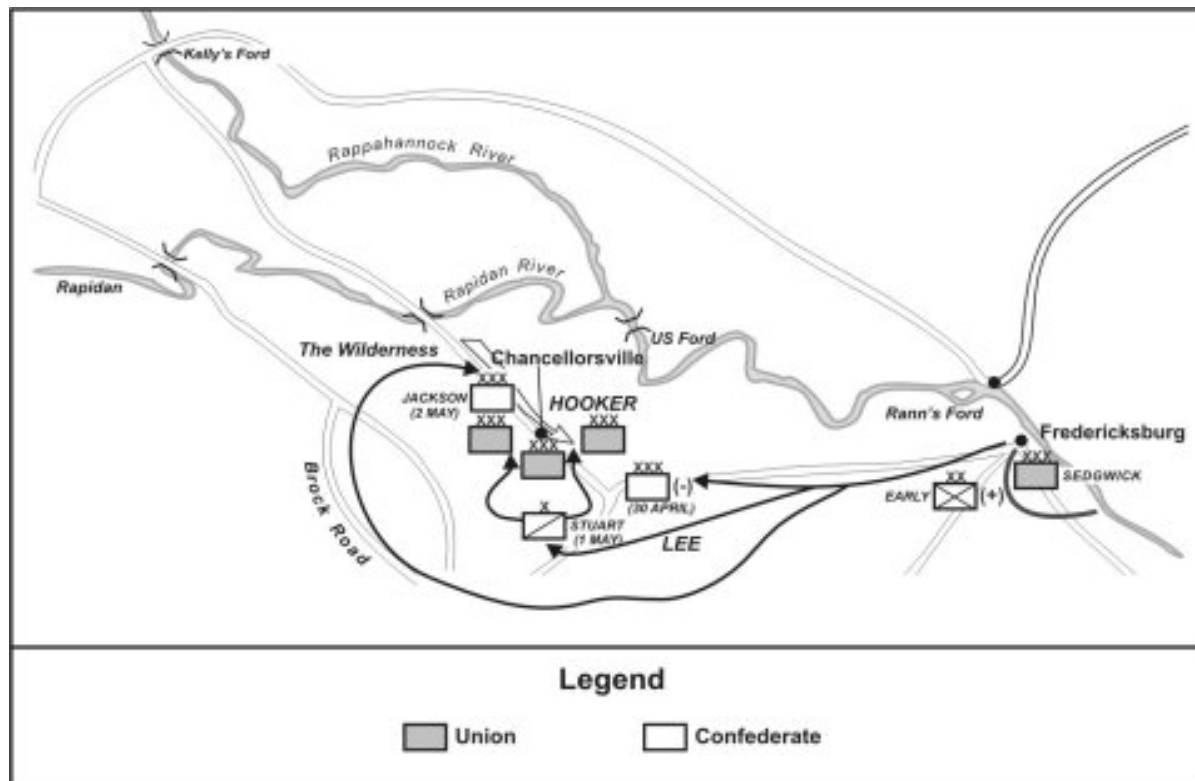
Contrary to Burnside's assault, Hooker
favored a more militarily sound flanking
maneuver around the Confederate left



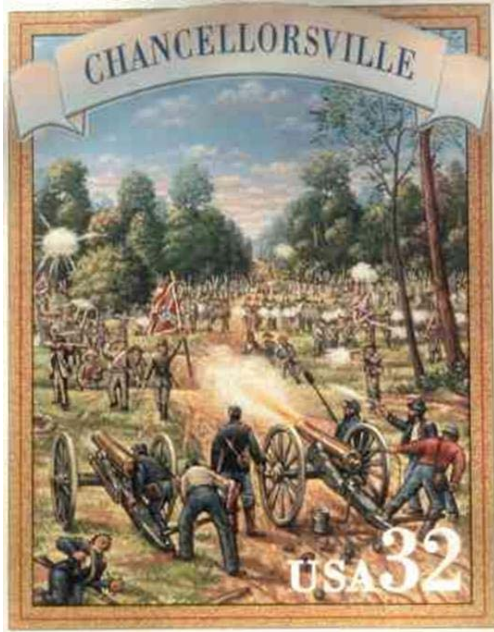
Much of the Union
army was now to
Lee's rear, at
Chancellorsville...



- Lee was virtually surrounded by Hooker's much larger Union Army
- Lee could have savored victory and withdrawn to fight another day
- Against all military logic, Lee split his troops in the face of a numerically superior enemy – a bold, decisive maneuver



- Lee performed his own flanking maneuver, sending Thomas "Stonewall" Jackson around the Union right to launch a surprise attack



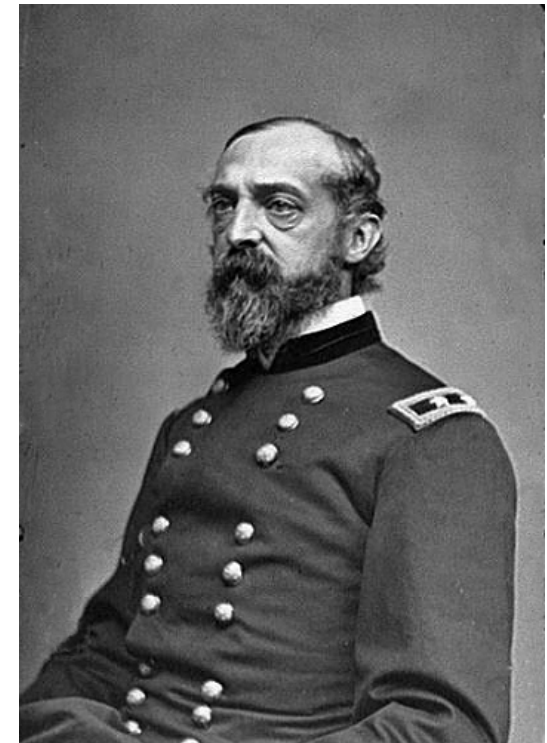
The stealthy Confederates attacked, rolling up the Yankees in a rout in May 1863.



Lee's legacy was established



Again, Lincoln replaced Hooker with **General George Meade** (referred to by some as "a damned old goggle-eyed snapping turtle")



Lesson #4: Decision-making is a complex, heavily qualitative and sometimes counterintuitive process that can't easily be reduced to a simple calculation.



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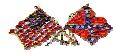
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Chancellorsville cemented the legacy of Lee's brilliant general, **Thomas "Stonewall" Jackson**



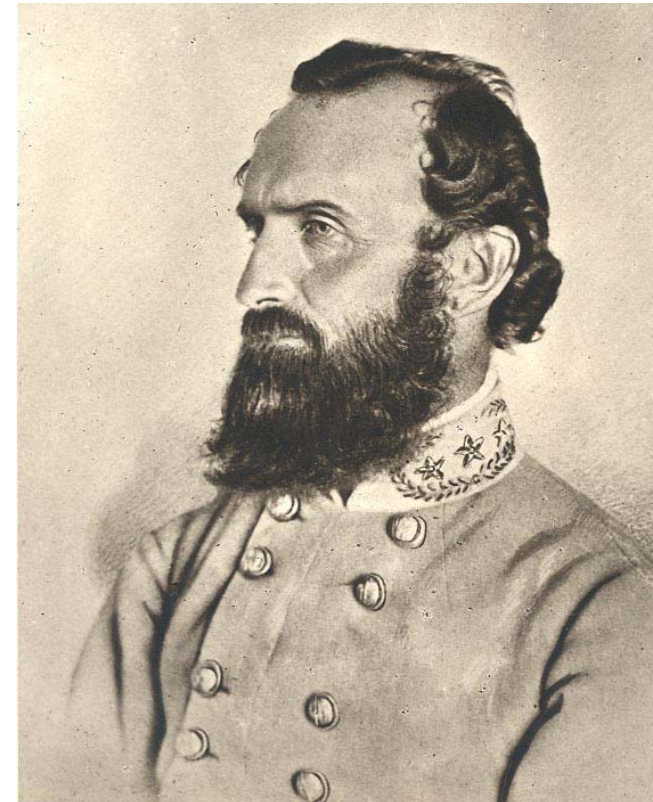
Jackson was accidentally shot by his own troops the night of the battle resulting in amputation of his arm



Lee was said to remark, "General Jackson may have lost his left arm but I have lost my right arm."



Jackson died a week later of pneumonia.



Lesson #5: During decision-making process, some things simply cannot be anticipated



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Lesson #6: Some things simply cannot be adequately measured

The loss of Jackson would have a measurable effect on the fortunes of the Confederacy...



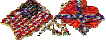



- ? Had Lee known that the Chancellorsville would cost him Jackson, would Lee have acted differently?
- ? Might the Confederates have won at Gettysburg in July 1863 had Jackson lived?

On a broader scale...

- ? Was **BENEFIT** of preservation of the union worth the **COST** of 620,000 lives?
- ? What was the opportunity cost? What might those 620,000 have accomplished in their lives?



Conclusions:

-  Quantitative decision-making tools are indispensable, but are more effective in some situations than others
-  Qualitative considerations aren't easily included in ROI analysis
-  Don't hide behind numbers by allowing ROI tool to be substitute for strong leadership
-  Learn through retrospective analysis; learn how to hone decision-making skills
-  Avoid slavish adherence to quantitative decision-making tools like ROI or Cost/Benefit
-  Don't forget the *qualitative* elements of leadership