

Trump's triumph

Management lessons learnt

On 18 September 2016, I was addressing a group of 75+ members comprising alumni of Great Lakes Institute of Management and other guests at an event in Minerva Coffee Shop, Hyderabad, India, when I remarked that Donald Trump will be 100 per cent president elect. I had strong reasons to believe so. I further stated that 10 days prior to the polling, there could be some Wikileaks or information leak potentially swinging the 6 per cent advantage that Hillary had over Trump at that point in time. Since leveraging on factors such as people's memory and money value of time is strategically important just a few days before the election, I predicted Hillary would be put to a disadvantageous position due to an unfavourable information leak. My prediction came true.

We now know what happened 11 days before the election. The FBI director's announcement of an investigation of newly discovered emails related to Hillary Clinton was 'Breaking News'. Trump made a smart move by making an appeal to those who voted already to change their votes again since a few states allowed that. Thus, the 3 per cent vote advantage for Trump persisted.

Having said all this, I also believe that the tide did not change 11 days before the election as many are saying now, it changed much before that and here are my WHYS.

Now that there are debates that say that Hillary lost because:

- Her campaign was all anti-Trump, with no solid plans for economic growth of the US;
- She lost trust amongst the 'disaffected crowd' after the FBI director's announcement; and
- As the election results reflect, sentiments were more anti-Hillary than pro-Trump.

Numbers indicate though Hillary had over 2 million votes on plurality, the electoral college votes were not in her favour. Here is where we have to give it to Donald Trump who won, that he had a better understanding of 'how the score-card is measured'. To elaborate further, here is my view of some of the popular assumptions vs reality at the US elections.

Assumption 1: America is not conservative

Reality: Hillary's campaign was simple. 'Frame Trump' – brand him a misogynist, racist, xenophobic, a womaniser, a con, who built his wealth by cheating the government and looting the



BALA V.
BALACHANDRAN

average American. Given Trump's image and his past, Hillary pretty much had it going there in creating this negative image for Trump. All the more as Trump himself made statements which helped Hillary's campaign initially. Calling Mexicans smugglers and rapists, the allegations of 'groping' by former Miss World Contestants, his sexist remarks on audio tapes, generalising Muslims as terrorists; I wonder if any candidate in the history of the US had the guts to make such statements and still run for the President. A few days into his campaign, it was projected that women, Muslims, African-Americans, Hispanics and Jews would never vote for him.

But, many of the voters discounted these statements as vote-garnering rhetoric aimed at rural whites. A significant number of women, Hispanics and African Americans voted for Trump, instead of Hillary, because of their own conservative views and their distrust in Hillary. To make matters worse, the African American population did not even cast their vote (almost 29 per cent of Obama votes), despite the vigorous endorsements in favour of Hillary by both Barack and Michelle Obama. The reason being simple – Hillary was not an African-American. Hispanics abstained from voting since they believed neither of them was a good candidate. On the other side, Trump ensured that rural and uneducated whites – many of them who have not even voted in the last 12 years – would cast their votes. His conservative views won popularity amongst this community, which was in fact a gold-mine that Hillary failed to identify. This is how a shrewd businessman exploits the weakness of an opponent and hits on the Achilles Heel.

Assumption 2: Making someone look worse is enough to hide your own wrong-doings

Reality: Hillary put all of Trump's shortcomings in one box and focussed only on that. She did not look outside. The interesting part, however, is that Trump chose not to spend much time on denying the allegations against him, whereas Hillary focussed a little too much on creating a positive image for herself. At the presidential debate, when Trump asked her from where the Clinton Foundation had got so much money or how her daughter Chelsea got \$35 million, she side-stepped the questions. This exposed her as a candidate with faults, who was unwilling to accept

The author is founder, dean & chairman, Great Lakes Institute of Management, India, and the J.L. Kellogg distinguished professor (emeritus in service), accounting & information management, Northwestern University, USA

her mistakes but, at the same time, as one who was quite eager to focus on the faults of her opponent and demand answers.

Assumption 3: Diplomacy is the key

Reality: It's not a surprising fact that many whites did not like Barack Obama as he is African American and his pro-immigrant policies did not work in their favour. They felt let down. They needed a change and the change they wanted was to a 'white' and a 'male'. In this context, Hillary was already in the second spot. Further, she had excess baggage. Americans didn't care about electing the 'first African-American President' or the 'First Woman president' anymore. All they wanted was a President who would lead them to glory.

Hillary's campaign to make money for the Clinton Foundation, the issues of Russians and foreigners giving Clinton a fee of \$200,000 per lecture for more than 22 lectures (for many of which, there is neither a video nor published paper nor documentary evidence), the issue of uranium sale to foreign countries, storing of official e-mails in her personal server and computer, which is against protocol – all worked against her. The FBI branded her 'extremely careless' since she shared classified information with others. Her credibility and integrity were questioned. People want change and they thrive on hope and faith. If you look at the economics of both their campaigns, Trump's campaign was fully funded by his own money. His campaign did not raise much and was less than a third of Hillary's funds.

Assumption 4: It is okay to *not* have a vision

Reality: Probably, the first thing they teach you in management, is "What is your vision/mission?" Give your consumers something concrete to believe in. Trump had a simple and yet most powerful mantra for his campaign. He told the Americans exactly what they wanted to hear – "We will make America GREAT again". For a nation which believes in supremacy in the world, what else could be a powerful campaign? While Hillary went all out doing an anti-Trump campaign, Trump gave the Americans faith. The people of America wanted a leader who had a vision and Hillary simply failed to understand that.

Assumption 5: The sample population had voted in the last three elections

Reality: This is another major slip-up by the pollsters. The population sample had a significant group of people who were "white, rural, male, uneducated or less educated" and did not cast their votes, right from the Bill Clinton days. This group of frustrated people, who comprised over 10

per cent of the population sample, was completely ignored. The media which unanimously predicted Trump's fall and said he would never get 270 electoral college votes were wondering where they went wrong, soon after the results. Anyone who does statistical sampling or Business Intelligence like it is taught at Great Lakes, would first ask: Do you know the population to sample from?

Assumption 6: 'Blue' states (Democrats dominant) that voted for Obama will vote for Hillary

Reality: Pennsylvania, Michigan, Wisconsin and Ohio which are considered strong Democratic states, still voted for Trump. In fact, Trump focussed on these states more than Hillary. On the day of the election, Trump and his family visited eight different cities. Hillary never even campaigned fully in places she assumed a Democratic win was a given. For instance, she never campaigned in the entire state of Wisconsin, while Trump went all out in his campaign and concentrated on these places. Understanding her weakness, Trump over-performed wherever necessary. Caution and paranoia are at times better than overconfidence and mediocre execution. That's why I keep repeating "Winners NEVER QUIT and Quitters NEVER WIN".

One of the offerings at Great Lakes Institute of Management is a niche management course in Business Analytics and Business Intelligence – which is ranked number one in the country. We always tell our students that there is nothing more important in business than having the right data. If your data is flawed, the assumptions incorrect and the intelligence in forecasting sub-par, then you will naturally only arrive at wrong conclusions. That is exactly what happened to Hillary's campaign. We at Great Lakes Analytics could have done better than the team that was at the helm of her data interpretation units!

Neither a Republican nor a Democrat, as an independent person who has been living in the US for almost 50 years and having witnessed several elections, having voted for both Republicans and Democrats in the past, the above is my unbiased view. Incidentally, I campaigned and supported the election of Senator Tammy Duckworth, a Democrat who contested and won from our area. She is an Iraq war veteran who, after a double amputation, is the first Asian-American woman to hold the position of a senator. Also, I supported and vigorously campaigned for a congressman, Raja Krishnamoorthi, whom I have known from his high school days. He is now a Harvard Law Graduate who will succeed Tammy to the House of Representatives from Illinois. Both are democrats and won in a 2 to 1 margin, compared to their defeated Republican opponents. ♦