



T.N. Hari — On Managing Crisis, Structured Thinking, Reinventing Yourself, And More

T.N. Hari is a leader who wears many hats and has plenty of feathers in each of them.

He's the head of HR at [BigBasket](#), an advisor at VC firms like Arkam Ventures and Fundamentum, and a sounding board to founders and startups. He's also involved in the education sector with institutions like Harappa Education and Avantika University.

Hari has [co-authored 6 books](#) and writes columns in the Mint and other renowned publications.

Hari has helped shape four successful exits in different industries including an IPO on The NASDAQ. He's extremely passionate about solving problems and building organizations for scale through clear & uncluttered thinking, and relentless execution.

You can listen to the whole episode [here](#). Below are the highlights of the interview:

(2:08) How Hari manages his time and does justice to his commitments.

In the German Army, all Generals can be classified into four categories. On the X-axis, you can plot whether they work hard or whether they're lazy. On the y-axis, you can say whether they are stupid or whether they're smart. So you could have stupid and hardworking, stupid and lazy, smart and hardworking, and smart and lazy. Most people seem to believe the smart and hardworking is the best place to. But the German Army believes that for you to be an effective field commander, you need to be smart and lazy.

Lazy here is a metaphor. It means you can focus on the three or four things that really matter and royally ignore the 10 things at the bottom of the list that don't really matter. That's what I do; I figure out where I need to spend my time and where I don't need to. For example, some activities, beyond a point, they offer diminishing returns. So I quickly realized that after spending 15 percent and getting 90% accuracy, I don't need to spend 90% of the time to get to 97% accuracy.

One reason why people tend to provide a lot of oversight for their team members, review what is happening at their end, and try to provide a lot of unnecessary inputs and gather unnecessary information, is because they are, in some ways, insecure. In a secure person, you realize that you don't need to do so many things because your team is very good at doing their own thing. The more you let them alone, the more effective they become.

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(6:10) On the importance of using past experience in current roles.

One of the reasons why, in India, a lot of technology debt is incurred by startups is because the developers involved are about 25 years of age on average. If you go to the US, the average age is 35 years. And therefore, the 10 years of additional experience provides them with a lot of insights as a result of which they're able to foresee scenarios that may unfold later and build those solutions. But in India, the 25-year-old engineers use first principles thinking to solve every problem. That results in situations where they have not planned for some things and need to undo a lot of the stuff that they did while building the product.

If you care to learn from your experiences, you can pretty much use those experiences to solve problems quickly. For example, there was a customer data breach at BigBasket. If you've seen this before, one principle you have learnt is to be very transparent in communication. Go out and tell the world at large that something like this has happened before they find out.

But sometimes you can feel, why should I disclose something unless they will come to know about it. It's a risk because if I disclose, then people will come to know. And if I don't disclose it, they don't get to know. That's the best place to be in. But if your experience has taught you that the risk of not disclosing and people knowing about it could shut your business, then you will not waste too much time debating. So if you deeply imbibed those learnings and you are able to apply them very quickly, a lot of these problems can be solved in no time. People can spend 10 hours solving a problem using first principles, but if you have got some lessons from the past with this, you can do that in 10 minutes.

If we can quickly put all (lessons) into memory and hardwire them so we can recall and reuse those powerful principles, the problem-solving becomes very easy. Because then, you know using your principles that you learned in the past.

(9:35) How to identify which problems to solve, and how to avoid the “activity trap”?

First principles thinking is extremely important. I've always said that one of the biggest, most important traits to being effective in startups, is first principles thinking.

Having said that, on top of that, you should be able to overlay other principles which can be applied across context and situations. And these are principles that you learn as you progress through life if you're very conscious and perceptive as an individual. And these are lessons and principles that you should lock in your mind and apply in conjunction with first principles thinking. So you're also able to figure out which problem is not to solve, which problems will go away on their own. You're also able to figure out which problems are pretty much unsolvable and therefore, how do you mitigate them rather than try and find a solution.



Many young companies or even older companies are under the mistaken impression that activity means progress. Activity means, you know, doing some good stuff. But activities don't always mean that you're making progress, especially if you are engaging in activities that trap you. So I would call that an “activity trap.” And in many companies you find people engaged in activity traps, which is that what they are doing is not going to leave them anywhere. But they're doing that to look busy, to look important, to make it sound that they're working hard, that they're trying to solve a problem.

It's important to be wise and courageous enough to say that I will not get stuck in the activity trap, even if it means that I come across as having free time. Because once you have free time on your hands, then you will force yourself to figure out what are the good things that you must do. A lot of managers, as they progress in their careers, are unable to get out of activity traps because when they do get out of these activities, they don't know how to fill that time with meaningful work.

(12:40) 3 questions Hari asks himself constantly.

Ask yourself from time to time, what is it that I have been doing that I should stop doing? What is it that I have been doing that I should continue to do because it's important? And what is it that I'm not doing currently that I should begin doing? You don't have to actually sit down and ask yourself these exact questions. They have to play out in your mind constantly. Then you're able to make the necessary changes in your style. We've said in our book, [Pony to Unicorn](#), that founders need to learn along the way. And one way to learn is by asking themselves these three questions constantly. Otherwise, they waste their time on doing the wrong kind of things. And if you honestly answer these questions with courage, without being insecure, then you'll make the right kind of changes.

It needs courage to answer these questions truthfully for the simple reason that if you ask yourself, “what do I need to stop doing?” Maybe the truth is that you need to stop doing a bunch of whole bunch of things, in which case you will be idle and have to figure out “how do I fill my idle time?”

(19:11) What often leads to a crisis?

An inability to speak one's mind eventually sows the seeds of a crisis. It's innate human nature to play favorites, being positively disposed towards those who speak good about us, endorse what we say. We don't like people who are outspoken, forthright, critical of our views. Even leaders who openly say that they don't want to play favorites, that they want to be neutral... even they tend to play favorites very subtly.

In that lies the seeds of a crisis because as companies become big, management teams and leaders become more and more remote from the customers and the field. And they like



to be told good things. They don't like to be told the customers don't like your product. And then things come to a situation where they could blow up.

(26:04) On his mother suffering from clinical depression and a bipolar disorder, and his thoughts around mental health.

Over the years, I've discovered that some problems refuse to go away and some you cannot solve. Therefore, in some ways, you need to live with them. If I had known, for instance, that her suffering had got to do with schizophrenia and bipolar disorder, I would have taken her to the right kind of doctor.

This is a situation where there is something called uncertainty. You don't know how things will unfold. I had no clue as to how her illness could unfold. Could it get worse or get better with time? What are the implications? Can she stay with us? These are all fierce legitimate fears that I went through.

All of us are shaped by our own experiences in life and we are who we are. The experiences we've been through shape us as individuals. If you allow them to shape you in a positive way, then you're in a strong position. If your negative experiences end up hurting and weakening you completely, they make you unfit to live in this world.

Sometimes you could be born into adversity and adversity can either kill you or strengthen you. It depends upon how you look at it.

(36:13) The importance of heroes in being role models.

(43:50) An important leadership trait in managing a crisis

There's a difference between knowing and doing. When a crisis is taking shape, a bunch of people know, but don't have the courage to do anything about it. For example, during the 2008 credit crisis, most people were just waiting and watching what would happen, including Raghuram Rajan.

But John Paulson shorted the marks and betted his house. It was a big risk he took. But the markets collapsed reasonably quickly and he made a lot of money. So he not only knew that there was a crisis, but also took the right kind of actions for himself and introduced a correction in the system. Same thing with Warren Buffett who invested \$5 billion Goldman Sachs.

You will find that there are people who are intelligent and there are people who demonstrate character. And people like John Paulson and Warren Buffett demonstrate character.



(47:00) The importance of feminist and masculine traits in leadership and otherwise at the workplace.

Every crisis has been caused by unbridled masculine ambition and great. And therefore you need the balance of feminine traits, like compassion, taking care of others, being collaborative, being warm... all of that is as important as goal orientation and ambition. So every crisis also shows that you need to bring in the feminine set of leadership traits.

(56:25) The important traits one needs in order to reinvent themselves.

The three traits I've had since childhood are:

1. A burning curiosity
2. Thinking by first principles
3. Continuous learning.

I ask questions even if I know a topic well because I could learn 1-2 things from others. And asking questions doesn't just help you learn, it also helps you teach. Because if people get stuck, asking the right kind of questions you can help them make progress. Good questions are not easy to ask.

(58:37) How to make quick decisions with less information and overcome cognitive biases

Slow thinking is about being very thoughtful, asking a lot of questions, thinking about different scenarios, and figuring out what is the best way forward. It's important to have a combination of the two if the stakes are high. But there is always a point where there is diminishing returns of over analysis. And so it's usually good to figure out where do I stop analyzing and where do I start acting?

Everything is a double-edged sword. Atomic energy has a positive side. It can be used to create weapons as well. Social media drives good change quickly. It can also be used to create fake news and spread hatred. So all things that man has invented is a double-edged sword.

(To overcome cognitive biases) understand the difference between intellect and Clarity of thought. Intellect is understanding complex things. Uncluttered thinking, clarity of thought, simplifying complex things. Intellect is being able to recognize patterns and see interconnections, whereas clarity of thought, unfettered thinking, is an eagle that senses which interconnections and patterns matter and which implications don't matter.



People with intellect don't necessarily always come with uncluttered thinking. They can be extremely intelligent but do not know how to solve issues because they go on analyzing stuff. They are like the hardworking and smart people who will never make good field commanders. Whereas thinking guys are the ones who will be good field commanders because they know what data to ignore inherently. Some people demonstrate uncluttered thinking more easily than the others. If you can do so, if you're self-aware, if you're conscious, you can develop the habit of uncluttered thinking with practice.

You can listen to the complete episode [here](#).