

“My Biggest Mistake”
June 2000, BGI Intranet Interview

- 1. What has been your biggest work-related mistake (at BGI or elsewhere)?** In about 1990, I was working on a project for the World Bank in which I was computing the optimal composition of Turkey’s foreign debt. Is Turkey (a debtor nation) better off borrowing US dollars or British pounds, for example? In which currencies should they borrow? This involved some intensive computer work, and without knowing it, I forgot to divide by three somewhere in the program. So the conclusion of my analysis – tilt debt towards US\$ – was incorrect.
- 2. Where were you working and what was your title at the time?** I was working at the World Bank as a consultant. This was my second consulting project for the World Bank. My permanent job was as a professor in the business school at the University of Arizona.
- 3. When did you realize your mistake? What did you do about it?** I discovered this mistake at the same time that the World Bank was presenting their recommendations to the Turkish officials. By the time I fixed it and got back to the World Bank with the corrected results, it was too late. The recommendations had already been delivered. Of course, I apologized profusely...this was truly embarrassing.
- 4. Did anyone ever tell you that this might not be the right decision?** No...it didn’t really involve a “decision.”
- 5. What was the impact of the mistake on the organization, people, yourself?** The Turkish government tried to have me killed. (Honestly, I don’t know what the World Bank did after I made them aware of my mistake.)
- 6. What lessons did you learn from the experience? What would you do differently in the future?** This was undoubtedly one of the low points of my professional career. It’s bad enough to have to apologize for your sloppiness. But it’s even worse when that sloppiness impacts others, and makes others look bad. I learned three lessons. First, you can never be too careful in research. Time spent double-checking and triple-checking is never wasted. Second, there’s no such thing as a small mistake. Third, just because the answer feels right, doesn’t mean it is right.
- 7. Any words of advice for others who might face this kind of situation?** The best you can do is face up to your mistake and deliver an apology (no excuses, just an apology). The worst thing you can do is try to hide your mistake. The World Bank later hired me for a third consulting project, after this one was completed. Had I been discovered trying to hide the mistake, my professional reputation would have become mud...and deservedly so.