



Leadership & Teambuilding for Data Science

Hardik Goel – SVP, Data Science & Research
at American Homes 4 Rent (NYSE: AMH)

Background and Introduction

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- Formerly, a Leading wall street analyst covering residential REITs including all multi-family peers and previous/existing competitors such as SBY, SWAY-SFR, ARPI and INVH.
- Early proponent of the single-family rental model, predicting operational improvement and stronger growth than multi-family through economic distress in 2014 whitepaper.
- Key strategic advisor to large financial sponsors on market selection, function-specific hurdle rates and capital planning.
- Integrated monthly data feeds from institutional operators managing more than 1,800,000 residential units leading to accurate predictions of public REIT earnings.

American Homes 4 Rent (NYSE:AMH) Snapshot

OUR BUSINESS

**OWNER OF 54,000
SINGLE-FAMILY
RENTAL HOMES**

**BEST-IN-CLASS
PROPERTY
MANAGER**

**BUILDER OF
HIGH-QUALITY
HOMES**

**PREFERRED
JOINT-VENTURE
PARTNER**



American Homes 4 Rent® (AMH) is a publicly traded single-family rental real estate investment trust that led the institutionalization of rental-home management and recently pioneered the development of new homes for rent.

KEY HIGHLIGHTS



1,500

EMPLOYEES

Dual Headquarters in Las Vegas, NV
and Calabasas, CA



4,000

HOMES BUILT-FOR-RENT SINCE 2017

Largest Builder of For-Rent
Homes



\$15 BILLION

TOTAL MARKET CAP

Only SFR Asset Manager with Access
to Public Unsecured Financing

Outline

- **Evaluating Models of Leadership for Data Science**
- **Nurturing the Conditions for Creativity and Problem Solving**
- **A Personalized Approach Towards Equity & Motivation**
- **Optimizing Team Performance Over the Long-Term**

Evaluating Models of Leadership for Data Science

Efficiency Driven Execution

Eg: Assembly, Manufacturing

1. Leaders provide answers
2. Employees follow directions
3. Optimal processes are designed and setup in advance
4. New processes are developed infrequently, implementing change is a huge undertaking
5. Feedback is one-way from manager to employee
6. Problem solving is rarely required, judgement is not cultivated
7. Fear of the manager or consequence does not appreciably harm quality of execution

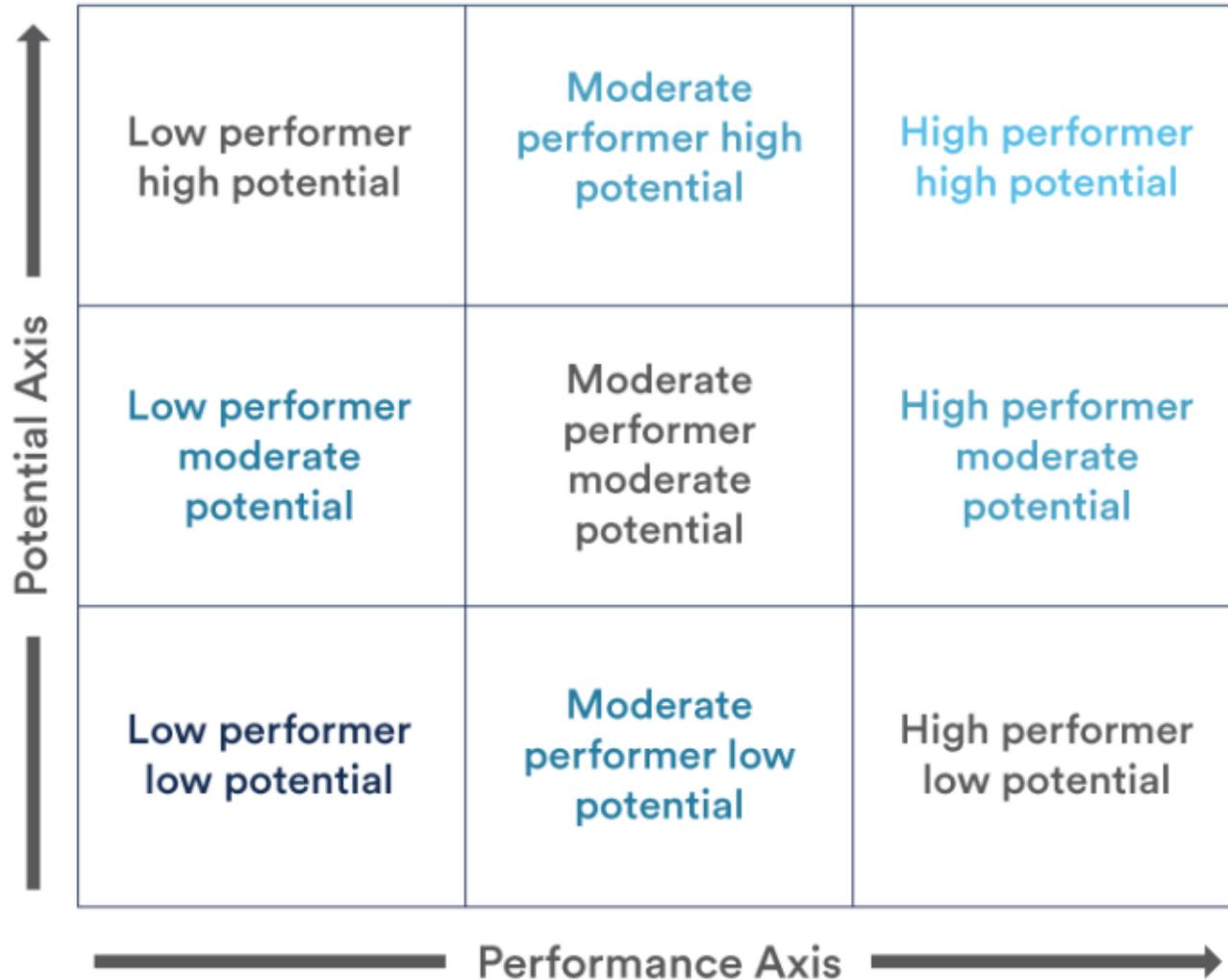
Creativity Driven Problem Solving

Eg: Predictive Analytics, Moon Landing, R&D

1. Leaders set direction and articulate mission
2. Employees collaboratively discover answers
3. Tentative work processes are setup
4. Processes undergo constant development, experimentation and improvements
5. Feedback is always two-way – mentorship from the manager and new ideas from team members
6. Problem solving is mission critical and employee judgement is a valuable input
7. Fear cripples the learning process by inhibiting experimentation and discouraging team members from sharing new ideas or problems

Traditional Leadership Models Unsuitable for Data Science

One Example of the Popular 9-Box Leadership Model



- Core department functions lie somewhere on the spectrum of **Efficiency Driven Execution** to **Creativity Driven Problem Solving**
- Traditional models like the 9-box can work across the spectrum but are typically prone to **manager bias** and provide limited avenues for team member feedback
- Since Data Science departments typically fall closer to the **Creativity Driven Problem Solving** end of the spectrum, modern professionals are left in search of an alternative leadership model
- Understanding the kind of leadership model that works for Data Science requires a deeper understanding of motivation, satisfaction and drive – key components of creativity.

Nurturing the Conditions for Creativity and Problem Solving

Creating a Climate Where Team Members Feel Free to Contribute Ideas, Share Information & Report Mistakes^{(1) (2)}

1. Communicate the Philosophy

- Set Expectations About Failure
 - **Process Integrity > Outcome Focus**
 - **Inherent Uncertainty**
- **Emphasize Purpose** and Identify the Stakes for Each Project as it Relates to the Team, and the Team as it Relates to the Organization

2. Invite Participation

- **Demonstrate Humility** by Acknowledging Gaps & Challenges
- **Replace Blame with Curiosity** and Ask Good Questions
- Approach Failures as a **Collaborator, Not an Adversary**
- Create Confidence That a Strong Voice is Welcome by Requesting Feedback & Creating **Forums for Critical Input**

3. Respond Productively

- **Express Appreciation** for Hard-Won Successes
- **Destigmatize Failure** by Offering Help, Brainstorming Next Steps
- **Sanction Clear Violations**
- Orient Towards **Continuous Learning** and Improvement

Team Members are **Involved, Included** and **Respected**

A Personalized Approach Towards Equity & Motivation

Providing Equitable Opportunity Requires Personalization

1. Set clear performance expectations in collaboration with individual contributors so that:
 - Strengths are honed
 - Weaknesses supported
 - Career aspirations heard
2. Connect short-term tasks with long-term goals to reinforce purpose
3. Chart a career path to build towards

Creating the Conditions for High-Levels of Sustained Self-Motivation⁽¹⁾

1. **Autonomy** – Top performers are motivated by the trust of their managers to set and pursue their own goals
2. **Purpose** – Strong alignment between individual, department and firm goals is essential for long-term retention
3. **Mastery** – Access to new challenges and adequate resources to continue pushing the envelope

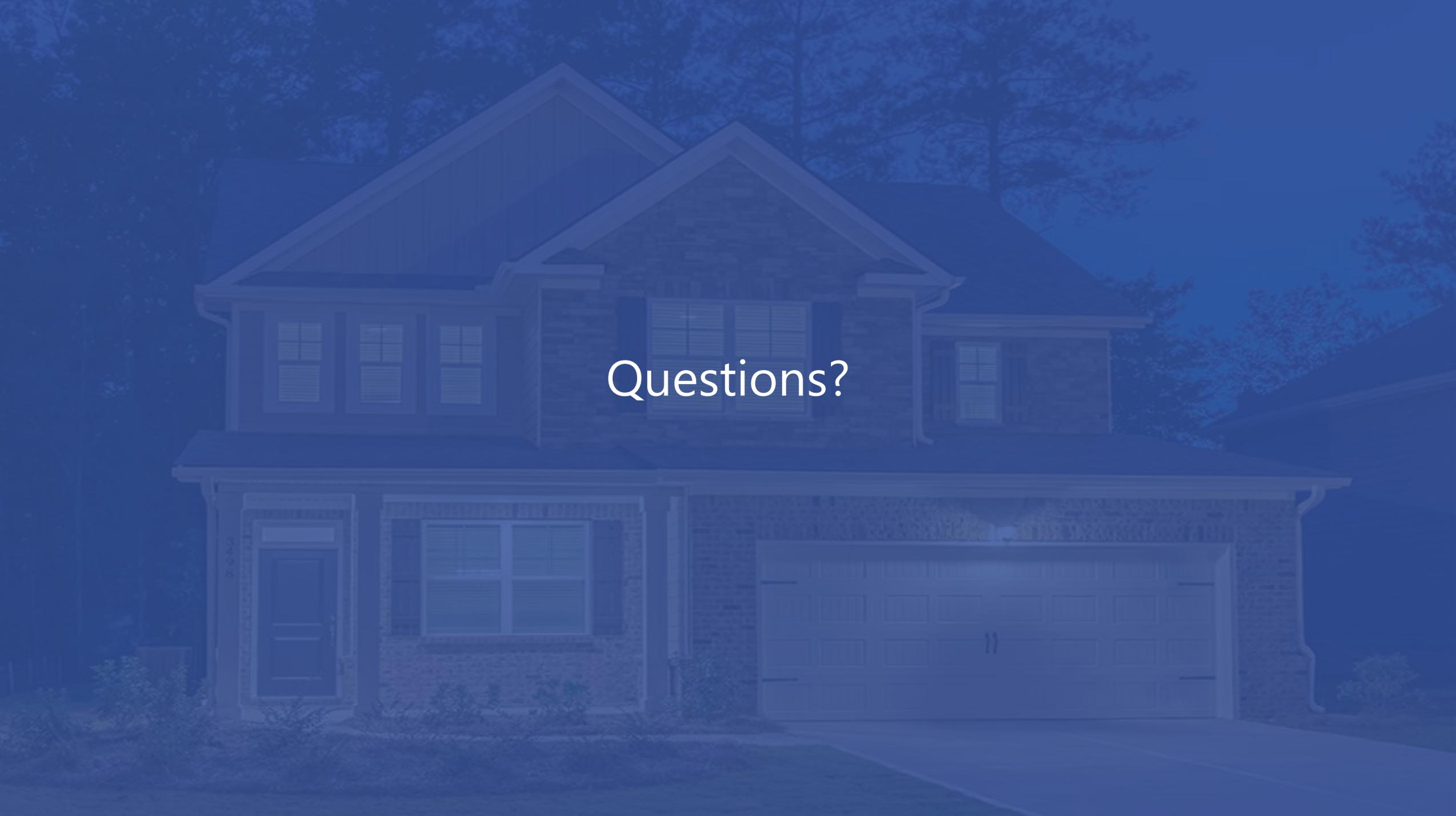
Expectations for **Recognition**, **Career Progression** and **Professional Relationship Building** are Explicitly Stated

Optimizing Team Performance Over the Long-Term



Both managers and junior team members can utilize this framework to further their career growth

- **Apathy:** Employees are apathetic and constantly jockey for positions.
- **Anxiety:** Bureaucratic organizations where currying favor rather than sharing ideas is the norm typify this zone. Employees are stressed and anxious. They are wary to experiment, to offer new ideas, or to seek help. Burnout is a frequent outcome.
- **Comfort Zone:** A breeding ground for complacency. There is hardly any sense of urgency and doing the minimum is the norm.
- **Learning / Performance Zone:** Teams frame their work as a learning challenge: one that entails experimentation, trial and error and has room for failure.

A two-story house with a brick and stone facade, a large front porch, and a two-car garage. The house is overlaid with a semi-transparent blue filter. The text "Questions?" is centered in white on the house's facade.

Questions?