Leadership and Paradigms
Understanding revolutionary change and how to lead it

The Leaders Predict:
• “Sensible and responsible women do not want to vote.”
  Grover Cleveland, 1905

The Leaders Predict:
• “There is no likelihood that man can ever tap the power of the atom.”
  Robert Millikan
  Nobel Prize, 1921

The Leaders Predict:
• “Who the hell wants to hear actors talk?”
  Harry Warner, 1927

The Leaders Predict:
• “No woman will hold a significant post, not foreign minister or prime minister. At least not in my time.”
  Margret Thatcher, 1969

The Leaders Predict:
• “In the computer industry, there’s never been a company that’s led the way in two successive eras.”
  Bill Gates

• “I see little commercial potential for the Internet for at least 10 years”  1993

Paradigms & Leadership
• 21st Century leaders cannot be successful without a deep understanding of how fundamental change occurs

• Fundamental change is, by definition, a change of paradigms

Acknowledging Thomas Kuhn
• The Structure of Scientific Revolutions

• He died in the summer of 1996

• He made one mistake in his book

The Dilemma:
• “Few corporations are able to participate in the next wave of technology, because they are blinded by the business at hand.”
  Edson deCastro, 1978

Paradigm Definition
• A system of rules and regulations that:
- defines boundaries and/or establishes limits
- prescribes behavior for success within those boundaries

- The “rules of the game”
- They cause “blindness”

11 Measuring Success
- Success is most easily measured by your ability to solve problems inside the boundaries using the rules.

12 Organizational Structure
- A forest of paradigms
  - recruitment
  - training
  - weapons
  - Investigation
  - Evidence gathering
  - Logistics
  - Strategic Planning

13 Paradigm shifts...
- Are the most powerful kind of change at any level because they change the game and redefine the territory
- Trigger cascades of new innovations

14 Understanding the Paradigm Shift Cycle
- Three questions
  - What triggers the shift?
  - Who is most likely to be a shifter?
  - What are the results of shifting?

15 Question #1
- When do new paradigms appear and why?

16 The Paradigm Curve

17 The Paradigm Curve

18 The Paradigm Curve

19 The Paradigm Curve

20 Two Key Indicators for “C”
- Time-per-problem-solved gets longer and longer
- Cost-per-problem-solved gets higher and higher

21 Where are you on the Curve?

22 Arrival of the New Paradigm*
- Where along that line do you think the next paradigm is going to appear?
  - Somewhere during A?
  - Somewhere during B?
  - Somewhere during C?

23 The Paradigm Curve
The Paradigm Curve

Reasons for Unsolved Problems

- Lack of proper tools
- Lack of wisdom

The Paradigm Curve

The Paradigm Paradox

- Every paradigm uncovers the problems it cannot solve, thus setting the stage for the paradigm shift!

The Curve Question*

- What are the problems you wish you could solve and you don’t have a clue of how to do it?

Innovation Triggers

- These problems carry with them the potential to trigger new paradigms and thus new innovations.

- New paradigms start their success by solving the unsolvable problems of the previous paradigm
  - Vacuum tubes/transistors
  - CD’s/iPod
  - Finger prints/DNA

The 21st Century

Paradigm Curve

Question #2

- Who discovers the new paradigm?

An Outsider

- A person most likely to change your paradigms is someone who knows little or nothing about them.

Response to Outsiders

- Rejection
  - Because they lack credibility
  - Because they dare to challenge authority
- Education
  - To teach them the “right” way to do things

Four Kinds of Outsiders

- Young, fresh out of training
- Older, shifting fields
- Maverick insider
- Tinkerer

Howard Head

Antimicrobial Peptides:
Magainins
• Accidentally discovered by Dr. Michael Zasloff

39  Facebook
39  Target Corporation
40  The Outsider’s Advantage
  • They don’t know what can’t be done
  • They do not understand the subtleties of the old rules
  • They have no investment in the old rules
  • They have nothing to lose
42  The Insider’s Disadvantage
  • They are deeply invested in their success
  • They perceive dramatic change as a threat to their investment
  • They think they have everything to lose
  • Huge peer pressure/loss of face
  • Risk aversion
43  Welcoming Outsiders
  • Two weeks after joining: What do you see that we could do better?

  • Cisco Systems & Marriott

44  Question #3
  • What happens
  • when we shift
  • our paradigms?
45  The Paradigm Effect
  • “We see the world anew!”
  • All paradigms act like filters
  • through which we see the world
46  Role of filters
  • To sort out
  • to concentrate and purify
  • Selective blindness
47  Least Worst Effect
  • “I wish it were that easy.”
  • “That’s not the way we do things
  • around here.”
  • “If you had been here as long as
  • I have...”
48  Worst/Worst Effect
  We see best what we are supposed to
  to see; and poorly or not at all that
  which is not inside the boundaries
  of our paradigms.
49  Worst/Worst Effect
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50 Dot’s Easy
51 Dot’s Easy
52 Lasik Surgery
53 Tesla Electric Passenger Car
54 Transparent Aluminum
55 iPhone / iPad
56 Vertical Farms
57 3D Printers
   ● Prints 3D prototypes
   ● Prints skin
   ● Prints pills
   ● Prints buildings
   ● Prints medical tests

58 Broken Window Theory
59 The Going-Back-to-Zero Rule
   ● When a paradigm shifts, everyone goes back to zero

   ● No matter how big you were in the old paradigm, it guarantees nothing in the new!

60 WalMart and Sears
61 Motorola to Nokia to Apple
62 CFL’s and LED’s
63 Back to Zero Question
   ● What could put you back to zero?*
64 Two Kinds of Innovations
   ● Paradigm enhancing—90%

   ● Paradigm shifting—10%

   ● You have to be good at both for long term success

65 Avoid Paradigm Paralysis
   ● A terminal disease of certainty
66 Practice Paradigm Pliancy
   ● The purposeful exploration outside your boundaries on a regular basis

67 Impossibility Question
   ● What is impossible to do, but if you could, would fundamentally change your discipline for the better?*

68 Summary Points
   ● The first problems the new paradigm solves are the “impossible to solve” problems of the old paradigm

   ● Paradigm shifts can put dominant organizations back to zero

   ● Paradigm shifting is a risky business

69 Recommendations:
   ● Keep track of your unsolved problems
• Invite your “outsiders” to work on those problems. Invite your people to visit the “outside.”
• Watch for anyone “messing” with your rules
• Create a safe space for ongoing exploration of new paradigms

Leadership Redefined
You manage within a paradigm;

You lead between paradigms!

Final Thoughts
Those who think it can’t be done should get out of the way of those who are doing it.

Final Thoughts
You can and should shape your own future; because if you don’t, someone else sure will!

JB