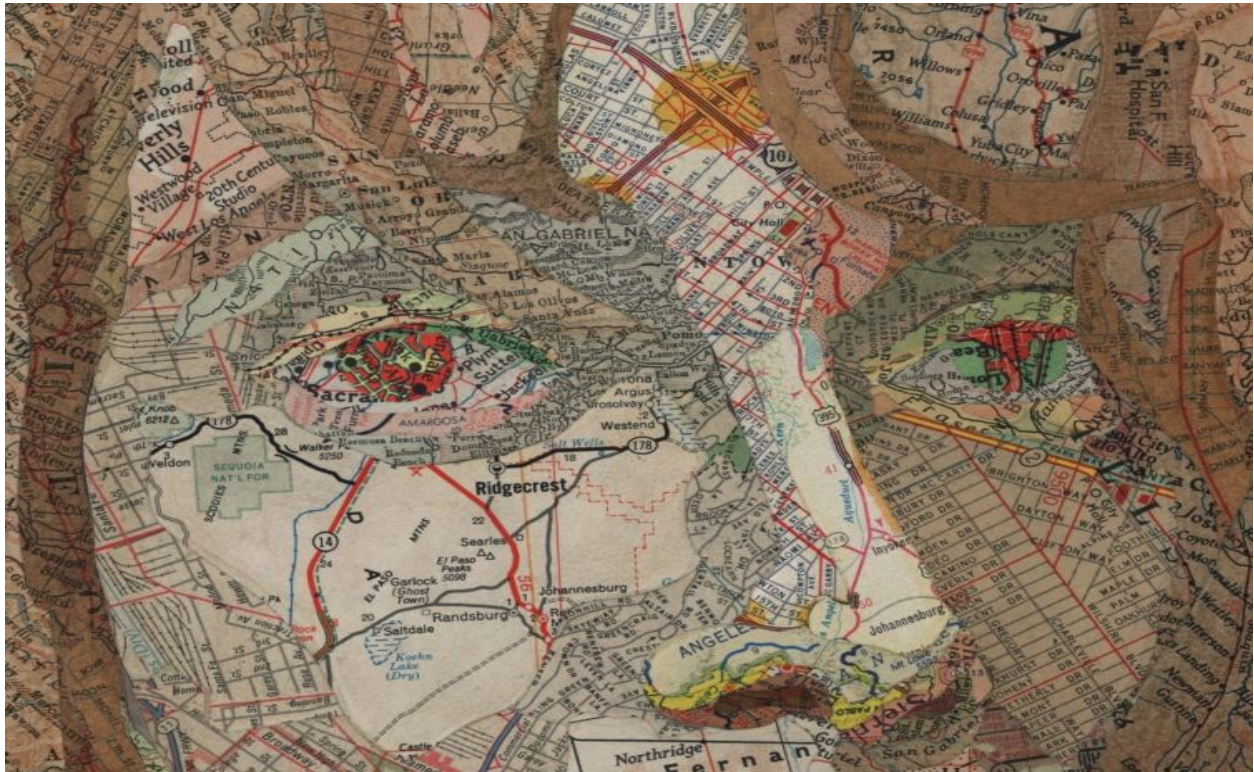


IoNTelligence Brief | Newsletter 9 | December 2017



Key Points

- **December's theme:** “Maps”
- **Acceleration Tip:** Forget Plans but Prioritize Planning
- **Thinking Tool:** Perpendicular Thinking and the QWERTY Effect
- **Read** *The Age of Discovery, Machine, Platform, Crowd* and *Mindset*
- **Philosophical Espresso Shot:** Use this rule to see if 2017 was a waste
- **Coming January 1, 2018:** Our new Podcast, “Boiling the Ocean”

I saw *Star Wars: The Last Jedi* last weekend (don't worry - no spoilers follow) and it reminded me of the power of paradigms. George Lucas created one with the Star Wars universe: a world with an evil empire, a resistance, and a Force that connects the two. The best intellectual inventions - books and movies, but also disciplines and theories - do just that: they provide a mental map of the world as their authors see it. So this month's Brief is all about the best “maps” I've discovered in the past year.

Acceleration

Plans are useless. Planning is priceless.

Maps - whether mental ones or cartographic ones - give the illusion of accuracy. But, as the saying goes, the map is not the territory. Only by recognizing the limitations of these constructs can we use them effectively.

So too, I would argue, for plans. We should never put too much stock in a plan as a static recipe designed for a specific result; too many things can go wrong, and reality usually gets in the way. As that famous business thinker Mike Tyson once pointed out, “everyone has a plan until you get punched in the face.” While the actual step-by-step list might have limited value, the *act of planning* does not. In fact, in an era where volatility, uncertainty and complexity reign, **thinking through contingencies before disruption - or disaster - strikes is just common sense**. After all, the best time to figure out what you’d save in a fire is not while the house is burning down around you ...

Pair this with the ever-so-quotable Jeff Bezos, who assures Amazonians that their company is “stubborn on vision and flexible on details.”

Conclusion: Don’t become a slave to “the plan.” Instead, use the process of *planning* to game out the various scenarios that you might face, and how you might respond. If and when they happen, **you’ll know what to do first while retaining the flexibility to adjust to your new reality.**

Thinking Tool

Practice Perpendicular Thinking

Have you ever wondered why we take summer vacations? The practice is a relic of the agrarian economy and was meant to allow farmers' children (a critical part of the workforce at the time) to pitch in during harvest season. Small family farming began to recede in the 19th century and yet we continue to live with its legacy in *the 21st century*.

This is an example of the 'QWERTY Effect', named after the curious reason why Anglo-Saxon keyboards have letters that spell out Q-W-E-R-T-Y in the upper left-hand corner. Back when people wrote on typewriters with keys (*Google the word to see what they look like, millennials!*), the earliest machines were very delicate. In fact, the main

challenge was to prevent users from typing too quickly and jamming the typebars together. In 1873, Christopher Latham Sholes managed to slow down the speed at which people could type by setting out the keys in one of *the least efficient ways possible*, and the QWERTY layout was born. Fast forward to today, and the keyboard on which I'm typing (or 'keying'?) this post on still maintains the QWERTY layout even though there's no ribbon to be found anywhere.

The QWERTY keyboard has become a **metaphor for outmoded but deeply ingrained activities that persist well past their point of relevance**. When I realized that so many aspects of my life -- from when I work to how I type -- were based on old habits, I wondered what else we've been conditioned to accept as 'fact' without critically assessing it first. It was then that I discovered the power of what I call 'perpendicular thinking'.

In geometry, a perpendicular line is one that meets another at a perfect, 90 degree right angle. We need to develop that reflex of **looking at conventional wisdom from a contrarian viewpoint** - questioning what we're told to believe and investigating whether or not it's still true.

Conclusion: Don't subcontract critical thinking to society. Always stop and think when someone says that you're 'supposed' to do something. It may turn out that you're the only one who knows what they're doing. [Go Deeper...](#)

Binge-Worthy

[The Age of Discovery](#) by Chris Kutarna and Ian Goldin (published 2017)

Maps don't have to be two-dimensional to guide its users. Indeed, philosopher George Santayana demonstrated how history can be used to explain the present when he observed that "those who do not remember the past are condemned to repeat it." This book identifies a historical period that can help us understand our current tumultuous age by pointing to the Renaissance, the last era of great technological and political upheaval. In doing so, **it gives us a map to place the present age in proper context** while subtly reassuring us that the shocks we're experiencing are to be expected. In terms of global forces and their relative impact on the society of its' time, it seems there isn't that big a leap between Gutenberg and Zuckerberg.

Conclusion: The turmoil that surrounded the Renaissance gives us some important clues to better understand today's challenges. **It's comforting to know that we've been here before, especially since "now" feels so unprecedented and new.**

Pair this with: [*The Return of History*](#) essay

[*Machine, Platform, Crowd*](#) by Andrew McAfee and Erik Brynjolfsson (published 2017)

This is a crash course in the economics underlying the current era. While it may be a long time since your Econ 101 Days, it's worth revisiting **concepts like two-sided markets** (Uber brings together two markets - drivers and riders), the power of **complements** (the apps on an iPhone create value and drive demand for the phone) and **information asymmetries** (Airbnb's two-way reputational system curbs our natural "Stranger-Danger bias" that might stop us from renting to or from a person we don't actually know). It's also a great survey of some of the most interesting experiments occurring in this space (did you know that there's an app in China called Guagua Xiche for someone to wash your car anywhere it's parked for less than \$5? I want it now!)

Conclusion: From AI (Machine Learning) and GAFA (Google, Apple, Facebook and Amazon, the "platform" companies from the title) to Crowdsourcing, **this book covers all you need to understand to create a new map for our connected age.**

[*Mindset*](#) by Carol Dweck (published 2007)

Whether you're the president of a company, the parent of a 5 year old or just interested in your own personal development, this is the next book you should read. Written a decade ago, "Mindset" has quietly become a classic. While I didn't love its overly conversational style, you can forgive that shortcoming for the power of the message it delivers. Through her research, Dweck discovered that **humans adopt one of two broad mindsets when approaching their lives: one sees their abilities as fixed (and largely set at birth), while the other, more growth-oriented one believes that you can improve through work, intelligent experimentation, focused feedback and the right attitude vis a vis mistakes.** While studies have broadly confirmed her view that abilities are not fixed, the more critical takeaway is that adopting the wrong mindset (assuming that growth isn't possible) can hobble you - for life. This has profound consequences for everything from your confidence in being able to improve yourself to how one consciously develops a growth mentality in your children

(hint: praising your kids' good *results* is likely to give them a fixed mindset while encouraging them for their *effort and perseverance* will give them a growth outlook).

What Kind of Mindset Do You Have?



I can learn anything I want to.
When I'm frustrated, I persevere.
I want to challenge myself.
When I fail, I learn.
Tell me I try hard.
If you succeed, I'm inspired.
My effort and attitude determine everything.



I'm either good at it, or I'm not.
When I'm frustrated, I give up.
I don't like to be challenged.
When I fail, I'm no good.
Tell me I'm smart.
If you succeed, I feel threatened.
My abilities determine everything.

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Conclusion: this book is like [Mercator's revolutionary 1569 map of the globe](#) - it has the power to change the way you look at your world.

Pair this with: her TED Talk from 3 years ago, ["The Power of Believing You Can Improve"](#). It has almost 7 million views, and it's a good primer on her paradigm-shifting argument.

Philosophical Espresso Shot:

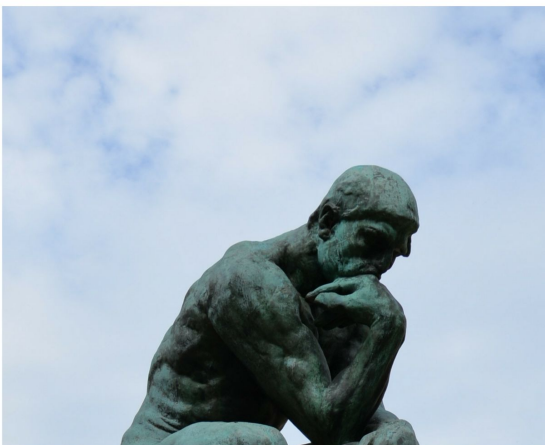
"Any year that passes in which you don't destroy one of your best-loved ideas is a wasted year." (Charlie Munger)

What did you *unlearn* this year? What idea or notion did you believe that you no longer feel is true, or as relevant as before? **The simple act of asking contrarian questions like these can reshape our personal map of the world ...**

Coming on January 1, 2018 - The "Boiling the Ocean" Podcast:

BOILING THE OCEAN

A PODCAST THAT APPLIES THE MANAGEMENT CONSULTANT'S TOOLKIT TO EVERYDAY PROBLEMS



Look for it on iTunes and your favorite podcast player ~

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Thanks for reading and have a great holiday everyone!