Mind Bugs or why ‘seeing’ is so damn difficult

Lessons from Xerox, JSB!
Perhaps and GM, CIA, etc.

The Great Challenge

- changing 
  \{one’s own beliefs/mental models\}
  \{a corporation’s habits/social practices\}

brick wall

to create action

Tacit knowing is almost impossible to reflect on (accurately).

Try in safe place, pls.

No, it simply makes no sense

Bob Full, et al

bipedal location by octopuses in disguise – no rigid skeleton for muscle to work against

Seeing and Associated Mind Bugs: examples from the corporate world

JSB, please make them personal examples and tell us what we can learn from them…
ah, radical innovation changes our work and social practices.

Example 1 – Two things XRX did really right. One brilliant insight that others overlooked: Learnings – think about network effects.

Growth of Xerox outpaces the growth of Microsoft

After 15 years, Microsoft was about 70% of what XRX was.

In radical innovation – tech & marketing often need to be creatively coupled.

Fantastic wealth created because of TWO complementary innovations – one tech, the other marketing.

Example 2 – Two things XRX did really right. One brilliant insight that others overlooked: Learnings – think about network effects.

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Example 2 – the personal computer or the awesome machine that changed the world and me.

The Alto

And it took Steve Jobs about a nano second to get it. Why couldn’t Xerox get it!

The Macho Syndrome:

Corporate Headquarters: Ok, so it’s a cool machine. But don’t you guys realize that it’s for crazy hobbyists out there on the west coast? WE do serious stuff.

(but there are other versions, less spectacular)

Example 3 – The Magical ‘Copier’

The Summarizing Copier

Put a large, paper document in and out comes a one page summary (& it works in nearly any language)

Hey, jsb. This is in their core business. You must have been a hero with this.
Nope. They were incredulous that I would suggest such a stupid idea.

Can anyone suggest why???

Well, it challenged our Architecture of Revenue. XRX makes most of its profit from TONER & this radical innovation destroyed it.

Warning –

A contra intuitive notion

Wisdom can stultify innovation. The more experience you have the more you know why something can’t be done (or work).


Being first often ends in disaster – you know too much!

A driving metaphor: innovation ecology

Cross pollination of ideas, practices & craft is key: create spaces & means for these connections to happen both inside and outside the corporation.

Also ecologies need to be porous: Recognize that ideas will leek out but then other ideas will leak in. (being connected to the world)

How did your lawyers take this???

Badly…

At the Meta Level

Success: All Four Combined

Pushing the Boundaries –

PAIR: PARC ARTIST IN RESIDENCE PROGRAM

Pairing artists and scientists, one on one, using technology as a common language.
The Need for Seeing Differently.

Be Different

A New Common Sense Model is starting to emerge

The Rise of the Creative Class thru participation in niche communities-of-interest/practice

Pro-Am(ateur) Production

- Appropriates, reshapes, repackages, “global” knowledge for local social networks
- Relies on mid-scale network of informed peers
- Peer-to-peer learning, assessment, and valuation

Mimi Ito (USC)

amateur — professional

from Latin - amator : lover

Hmmm, where creating and learning becomes your hobby & your work.

Digital life, Remix & Voice/Identity

New concepts of authorship
- story telling to world-building ‘games’

Shifts of power:
- author/artist to networks of co-creators

Creating personal meaning
- Acknowledgement - via constructivism & OS accretion (persistent worlds)

Shifting from: I am what I wear/own
To: I am what I create and and others build on

A new kind of social capital is on the rise

Two Ways To make connections.

The Toyota Way (creates innovation)
- Productive friction
- Lowest cost
- Deep dialogue and collaboration
- Bring us new ideas/innovations
- Respect

The Detroit Way (little innovation)
- Destructive friction
- Lowest price
- Diode, not dialogue – do it exactly as we say
- Shop around new ideas from one supplier to others

exception conditions as action points

Thanks for the Andon Cord and board.

When an defect is found the person who finds it is to stop the entire line – freezing the context – till the source of the problem can be discovered.

The board shows everyone in the factory where the defect was found.

"The future is already here, just unevenly distributed"

Pay attention to the edges of:
- yourself
- your cohort group
- your experiences
- your industry
- your own culture
- and especially kids as digital natives

Thank You
Chongqing – Disruptive Innovation: bottom up, local modularity, drawing approved

Motorcycle Assemblers choose local design
Modularize architecture, drawing approved
Recruit sub-system suppliers

- Frame
- Engine
- Suspension
- Fairing/cowling

Negotiate around prototypes/sample units
“Swarm” the design – focus only on adjacent units

Export price drops from $700 to $200
China now accounts for 50% of global production

But what enables friction to become productive?

A key insight – making money will depend less on what you own than on what you can mobilize – orchestrate

Li & Fung – supply chain orchestration

Li & Fung Performance Feedback

Learning, bootstrapping skills and knowledge creation

Requirements for Productive Friction

Performance Metrics
- Define clear targets

People
- Relevant skills
- Quickly mobilized

Productive Friction

Pattern Recognition
- Access to context

Focus on action points
- concrete
- situated

* * *
the purpose of the firm
To accelerate capability building
(getting better faster)
(doing more with less)
a form of open innovation: built
around dynamic specialization,
productive friction & process
networks
Learning from others as they learn from you

Designing Evocative Experiences
- beyond the cognitive

The Unfinished Video – an
experiment in technology transfer

Step 1: watching video  Step 3: story boarding

Video = 3 miniscenarios as intuition pumps

Story Telling – the secret weapon

Kinds of stories
Ignite action
Share knowledge
Open possibilities
Build community

but make them minimalist so that they
can be retold in new contexts with new meaning

Conceptual Blending
Through the narrative, we construct and
reconstruct, and in some ways reinvent
yesterday and tomorrow. Memory and
Imagination fuse in the process.
Jerome Bruner

Telling and listening to stories, not
a bad way to see things differently.

Morphing to the new Techno–Economic Paradigm
(three spheres of change in constant reciprocal action)

Carlota Perez

(Creative Commons licenses, GPL,
open source frameworks
& foundations, open
learning – OCA, etc)
Thank You

a social view of knowledge creation and sharing