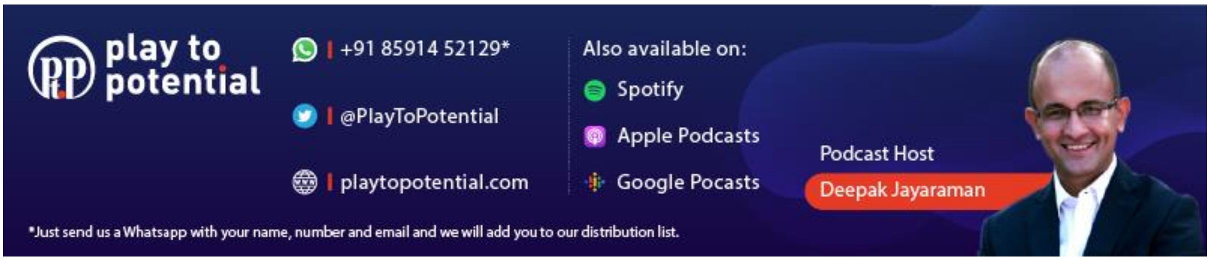

Context to the nugget

Whitney speaks about the application of the Theory of Disruptive Innovation (Courtesy Late Clay Christiansen) as applied to Careers. She speaks about why going up and up on the same curve starts yielding diminishing returns and discusses how we can take a step back or sideways to slingshot ourselves into the next trajectory.

Transcription

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Deepak Jayaraman (DJ): And let's dive into the heart of the book Whitney, you talk about the S-curve that Clayton Christensen talks about in the context of innovation and you talk about how disruptive innovations take hold in the world of business and apply that to personal disruption. So, may be to level set talk to us about the S-curve and why don't you set up the overall framework in terms of the parallels you see?

Whitney Johnson (WJ): Yeah, absolutely. So, one of the first big aha's that I had that I've mentioned is that as I was reading The Innovators Dilemma that this theory of disruption it's not just about products, it's about people. This silly little thing that can take over the world. So, let me explain that and then we'll go to the S-curve. So, what do we mean when we say disruptive innovation? It's that… so you think about how the telephone disrupted the telegraph, the automobile disrupted the horse and buggy and more recently we've seen Netflix disrupt Blockbuster and Uber is disrupting Taxis and so it's that thing there's this framework where the disruptor gains a foothold at the low end of the market initially, its products are inferior, its position is weak, you think about Netflix in the 1990s, Blockbuster could have crushed them like a cockroach, but they didn't and market leaders rarely bother because it is that silly little thing there. It's nothing to worry about, it's no big deal. So, let's go after bigger and faster and better. And then the bad news of course is that the disruptor the new entrant is also motivated by bigger faster better and so it goes. And so that was the theory of disruption as we applied it to products and services but the big discovery then I had been that personal disruption is how you take all these ideas and make them meaningful to you. You start at the bottom of a ladder; you climb to the top and then you jump to the bottom of a new ladder like the children's game Snakes and Ladders. The big difference with personal disruption is that you are Netflix and you are Blockbuster, you are Uber and Cabs, you are the silly little thing and you take over the world. You're the disruptor and the incumbent because you are disrupting you. So that's personal disruption. Now you ask me about the S-curve. What do I mean there? So the second big aha that we had or I had I should say is that we're applying this S-curve to investing and this was popularized by Ian Rogers in 1962 to help explain the diffusion of innovations, how quickly an innovation would be adopted and we were using it in our investing to figure out how quickly something that we were looking at would penetrate the market. Well, the second big aha now is disruptions is not just about products, it's about people, the second big aha was that this S-curve where you start at the bottom then you get into the sweet spot once you hit the knee of the curve and then you get to the top of the curve and then saturation, that applies to people. It applies to how we learn; it applies to how we grow. So, that was a second big insight and I can explain it if you want to but I'll stop there for just a second to see if you have questions.

DJ: No absolutely, I think maybe if you could lay out what's on the x-axis and y-axis just for us to visualize the curve and talk about the various portions of the curve and then we could maybe go into some of the specifics.

WJ: Yeah. Okay. So, what I want you to do is I want you to picture the y-axis is success and the x-axis is time and let's start by explaining y-axis x-axis if you think about disruption. So, when you decide to disrupt yourself, you're effectively, let's call it you are number 18 on the y-axis of success let's say and at this point in time your trajectory in your career, in your life, in your business is over 1, up 1. So, picture this big piece of graph paper, you are over 1 up, 1 over 1, up 1. When you decide to disrupt yourself mathematically what's going on is you're saying okay, I am at 18 but I believe that if I am willing to move down this y-axis of success however I am defining it, let's say I am at 18, I am willing to move down to 15 because I believe that if I move down to 15 my trajectory will no longer be over 1, up 1 it will be over 1, up 3, over 1, up 3. So, I am stepping back or I am stepping down to slingshot forward. So that's what that idea of personal disruption looks like for you as you are trying to visualize it mathematically. Now the question is now that you've disrupted yourself and you are on this brand-new trajectory you've got this new learning curve. Well, how do you grow along that new learning curve? How do you grow along that S-curve of learning? Well, what we know about the math and I want you to all picture this is that the bottom of that S there's this bottom of the S, the base of that S, we know from the math that growth will appear to be slow. So, you're moving out along, takes a lot of time for what appears to be very little happening. So, it's going to appear slow, you might feel very overwhelmed, it can feel like a slog and so there's this place from an emotional standpoint or like it looks like nothing's happening. But that's what it's supposed to look like at the low end of that S-curve because the exponential growth is not yet apparent. But then as you put in that effort and you put in that time you move from that flat part to the knee of the curve into that sleek steep back of the S and this is the period of hyper growth. This is where for you as an individual you… you know, whereas at the low end it took a lot of time to seem like anything was happening now in a little time a lot happens and you know enough but not too much it's hard but not too hard, it's easy but not too easy, you are exhilarated, all of your neurons are firing, you feel like this is exactly where you're supposed to be. This is the sweet spot of the S-curve. And then as we keep going up that S you now get to the top of that S and it flattens back out and this is the period where growth starts to slow and because you're no longer learning at that rapid pace that you were on the low and sweet spot of a curve you start to feel underwhelmed and you start to get bored and so this is that place where what seems like a plateau, what seems like the top of the world can actually become a precipice. And so, you've learned and now you know that from a neurochemical or neuroscience perspective now that you've learned it's time to leap and when you follow this framework of personal disruption you are basically learning and leaping and repeating. So that's the S-curve of learning framework as it applies to you an individual.

DJ: And maybe just to understand this better Whitney is there an example you want to share to understand let's say the three or four phases you spoke about? Could you embellish it with a specific story or an example?

WJ: Yeah, absolutely. So, let's see. What story do I want to tell around this? So, let me tell a story that I think really illustrates this idea of what happens with the S-curve. So, imagine that you are a Vice President, you're one of 25 at a company of 6,000 people and that is what the top of the S-curve looked like for Dan Shapiro. Dan Shapiro had joined LinkedIn in 2008. He had studied Math and Statistics in college. He had then gone to business school; he went to work at Bain in consulting and in 2008 he arrives at LinkedIn and he starts in Operations. But by 2008 he is basically at the top of that S-curve in Operations and I think that often happens when we start a new role is even though ideally we would start at the low end of the S-curve we end up in the sweet spot because people don't quite know where to put us and they want us as competent as possible. By 2010, Dan's at the top of that S-curve because typically you expect three to four years but it takes him two years. So, he jumps to the bottom of a new S-curve inside of LinkedIn and he moves into Sales. So, he's at the low end of that S-curve, but by 2013 he's now at the top of that S-curve in Sales. When he started, they had about $10 million in revenue, now they have $1 billion. So, yes, it's a rocker ship. He had about eight reports, now he has a thousand reports. And so, he is at the top of his S-curve and he goes and he has his conversation with his boss's boss, the CEO and says hey, you know, look what happened, like, let's do a victory lap, I am at the top of the curve. I would love to be a tech CEO myself someday and his boss says to him. Well, if that's your dream of being a tech CEO, you're actually on the wrong curve. He didn't say that, but basically, you're in the wrong job. You can't get there from here tech CEOs. They build product you're in sales. So now Dan's looking at this saying I am at the top of the S-curve, what do I do? Well, a lot of people in this situation would have said well, I am going to jump to a new S-curve, it's not going to be here, I've hit the top kind of like what I did when I left Wall Street I jumped to a new S-curve somewhere else, but Dan didn't. He comes back after about two months, he's deliberating, very frustrated of course, then he says, okay, let's build great products and his boss is looking and I am thinking what you've got a thousand reports, you've got a billion dollar line of business and you want to jump from the top of that S-curve to the bottom of the S-curve where you've got no direct reports, you've got four engineers you're working with and no guarantees for the future. And based on the data we know, and LinkedIn has a lot of data, people don't move from Product to Sales, but Dan made that jump. He jumped, he jumped to the bottom of that S-curve. Now, there were parts that he was terrible at because he was inexperienced. He was on a launch point of the curve which is exactly what you want, you want people to be inexperienced because they ask questions like why do you do it like this but there were parts he was amazing at. He had all this ability, all this experience that allowed him to contribute in a really unusual and meaningful way. Six years later he gets up to the top of that S-curve in Product and then he jumps again to the bottom of a new curve now is responsible for all of Sales globally. So, that's what it can look like. There's a risk when you do it, there was a risk for Dan, there was a risk for Dan's family because they were like, he probably went home and he said honey, I shrunk my role today that had to have been a really tough conversation. There was a risk for his boss and his boss' boss but that step back, that willingness to become a silly little thing to move down the y-axis of success to a lower axis became a slingshot not only for Dan but also for LinkedIn, so that's what it can look like for you inside of an organization.

Reflections from Deepak Jayaraman

DJ: One thing that occurs to me here based on what Whitney says is that we all need to think of ourselves as a Balance Sheet and not just as a P&L. To Whitney's point, sometimes we just focus on our cash flows and expect it to grow upwards year on year. But sometimes, taking a step back and building our assets could temporarily put us back but create a new stream of cash flows. Lynda Gratton (LG), the author of 100 year life speaks about how we should be cognizant of the intangible assets we are building as we go through our journey.

LG: *"Well you know as you and I in the book we talked about three types of intangible assets we talked about Productive assets, Vitality assets and transformation assets and I think really you know in your 40s the productive assets becomes really important because you need to keep on learning you* *need to keep on building new skills you need to be saying to yourself and to the labour market you know I am still somebody who has gone lot to offer from now until the age of 70s so that's really crucial but also of course transformational assets and those as we said earlier they are they are transformational assets a lot to do with your networks."*

DJ: As we think about building Transformational Assets, going up a new S Curve, definitely one way to look at it.

End of nugget transcription

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Nugget from Lynda Gratton that is referenced: Mid-life: a double whammy.

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Whitney Johnson - Nuggets

- 62.00 Whitney Johnson - The Full Conversation
- 62.01 Whitney Johnson - The S curve of personal disruption
- 62.02 Whitney Johnson - Picking the right S curve
- 62.03 Whitney Johnson - Discovering our distinctiveness

- 62.04 Whitney Johnson - Leaning into constraints
- 62.05 Whitney Johnson - Cutting our losses
- 62.06 Whitney Johnson - Rethinking our metrics
- 62.07 Whitney Johnson - Handling our identity
- 62.08 Whitney Johnson - Discovery driven career planning

About Deepak Jayaraman

Deepak seeks to unlock human potential of senior executive's / leadership teams by working with them as an Executive Coach / Sounding Board / Transition Advisor. You can know more about his work here.

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