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Radoslav Dragov – Think Different:  
Why we Don't Think Differently

## THINK DIFFERENT: WHY WE DON'T THINK DIFFERENTLY

Radoslav Dragov is this year's runner-up of the St. Gallen Wings of Excellence Award. He studies at the Rotterdam School of Management and will attend the 43<sup>rd</sup> St. Gallen Symposium as Leader of Tomorrow.

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**RADOSLAV DRAGOV (BG)**, Master Student in Business, Rotterdam School of Management.



Radoslav Dragov is Bulgarian by nationality but a proud citizen of the world by conviction. He completed his Bachelor's degree in management at Warwick Business School and is now pursuing a Master's degree in organisational change and consulting at Rotterdam School of Management. He is a man of many intellectual appetites – history, philosophy, psychology, sociology, anthropology and their intersections. Dragov considers himself an optimistic pessimist who actively seeks out creative endeavours. His main goals in life are to help others, acquire erudition and have fun while doing it.

It is unwise to state that young generations are inherently programmed to act a certain way. The cultural and socio-economic zeitgeist is what shapes the behaviour and destiny of young individuals. For example, the US Generation X (born in late 60s – early 80s) was first perceived to be a downgrade from the Baby Boomers (Shirky 2010). GenXers who started entering the job market at the tail end of the 80s were seen as innately lazy.

At that time the US economy started decelerating following the big “market correction” of 1987 and in the early 90s it turned into a full-blown recession. Then something unexpected happened: GenXers started founding companies in droves. They weren't lazy after all – just entrepreneurial. Or rather the economic environment changed and GenXers took advantage of it.

This essay will try to examine how

changes in incentives have made young generations settle for a streamlined world stripped of unconventional thinking.

### **Part I: Why We Hate Complex Ideas (the CliffsNotes version)**

A number of experiments conclude that the human brain is very plastic and constantly reprograms itself through physical and/or mental activities (Maguire et al 2000). Other experiments have shown similar patterns: continuous physical or mental activity (playing piano, Brail reading) dissolves old connections (synapses) between neurons and creates new ones – so as to accommodate the new activity (Kandel 2007).

#### *Changed my Mind*

The use of the Internet is one of the most potent ways to “reprogram” our brains. Only 1 hour a day for six days

was needed for the neural activity of people with almost no Internet experience to mimic that of veteran surfers (Small 2008). The existence of hyperlinks on webpages propels us to explore new information rather than to delve deeply into the content at hand. The experience of acquiring information becomes extremely fragmented especially when we are constantly surrounded by hoards of tempting audio/visual hyperlinks.

In one hyperlink experiment people were divided into two groups and asked to compare two articles which presented opposing theories of knowledge. The first group could use hyperlinks and easily switch back and forth between articles and compare main ideas. The results were surprising: the “hyperlink” group had significantly lower grades on subsequent tests of understanding (Niederhauser et al 2000). In another experiment people were instructed to

read the same article but with a different number of hyperlinks. Subsequent tests of understanding revealed that the number of hyperlinks were proportionally damaging to comprehension (Rockwell et al 2007). Not surprisingly eye-movement tests proved that we are increasingly skimming text instead of actually reading it (Nielsen 2008).

#### *Too Long; Didn't Read*

The bottom line is that all the hours young generations spend on the Internet hone multitasking abilities at the expense of deep thinking. This author does not try to belittle the tremendous progress humankind has achieved thanks to the Internet. I am merely trying to direct attention to the fact that we can no longer direct undivided attention to a single fact. For example, a one second delay in page load time results in 11% fewer page views and 16% decrease in customer satisfaction (Weatherhead 2012). Our attention is severely diminished and we develop a strong appetite for the short, the platitude, and the streamlined. The problem is that complex ideas often suffer from irreducible complexity. If a new idea cannot be fit into a reductionist rhyming chant then it dies in the collective consciousness. In short: the brain rejects what's long and complex.

#### **Part II – Brave New World**

The great technological leaps of the twentieth century have turbocharged the process of globalization. Globalization has ultimately generated winner-takes all effects which consolidated a lot of market share in a small number of mega-corporations (Taleb 2012). Before globalization took hold companies could hide behind country walls or protective governments.

In theory this turn of events should be entirely beneficial because intensi-

fied competition means reduced prices and more innovation. In practice transnational companies use their considerable resources to grab new markets and entrench themselves into the socio-economic life of a host country. Constitutionally speaking (in the US) companies are people and like people they have a strong sense of self-preservation. Their enormous size and large workforce ensure tax breaks, generous subsidies and a drink from the Holy Bailout Grail if needed. In short, they receive the coveted status of “too big to fail”. The list of immortal corporations includes far more than financial institutions and automobile manufacturers.

#### *Survival of the Biggest*

Mega-corporations are not good for the economy but not quite for the reasons Noam Chomsky favours. The law of creative destruction cannot work well if some companies are comfortably perched above it. Large corporations exert an enormous deterring effect to potential entrepreneurs. Investors avoid lending if they expect few start-ups to make it past the first year. There's also the fear that corporations might muscle in on a company's business. “What if Google does it” has become a staple of Silicon Valley folklore: many entrepreneurs get asked this “worst case scenario” question at the end of their pitch by angel investors. Large corporations can easily copy a product or service and produce it more cheaply. Corporations are also repositories of a mind-humbly (for enthusiastic entrepreneurs) large quantity of patents. Veritable army of lawyers stand ready to be unleashed even at a whiff of potential competition. Indeed, whoever owns the patent for “patents” must be a very fortunate individual.

#### *The Aftermath*

In the United States – a country very proud of its entrepreneurial culture – for roughly 30 years new businesses have made up a steadily shrinking portion of companies while generating a declining fraction of new jobs (Weissmann 2012). Big companies are inadvertently preventing new start-ups, acquiring them, or just driving them out of business.

Since giant corporations are pervasive and with lots of resources it is only natural that ambitious people will flood their gates. Behind their sturdy walls corporations ensure good salary, job security and predictability. In the howling wilderness outside those walls the only thing certain is that everything is uncertain.

#### **Part III – Decision Points**

One of the many memorable passages from Michael Lewis' semi-autobiographical novel *Liar's Poker* describes a meeting between the author and his old professor at the London School of Economics. Lewis has just landed a job as bond trader on Wall Street (in mid-80s). The professor is shocked to learn that his ex-student is earning twice as much:

“He was in his mid-forties and at the top of his profession. I was twenty-four years old and at the bottom of mine. There was no justice in the world, and thank goodness for that” (Lewis 1989).

Yes, the world of employment is unfair but is it more unfair than usual. First we got to look at the effects of new technologies that allowed incredible global interconnectedness. In the previous chapter we saw how one corporation could be market leader across continents. The same goes for certain professions. For example, 99% of book sales are attributable to less than 1% of authors (Taleb 2010). Most

citations come from the works of a small number of academics (Rosen 1981). Many fields (especially in entertainment, media and sports) are dominated by a few giants among a sea of dwarfs. Moreover, the top 1% of US income earners consists mainly of managers, administrators and financial specialists (White 2012).

#### *Meet Bob*

Now imagine a highly-intelligent and even more ambitious young man named Bob who wants to succeed in the game of life and be the VIP during high-school reunions. How to achieve this? Should he get a Liberal Arts degree and become a journalist? Should he launch a start-up with his best friend? Or should he follow his dream and try to take his garage band mainstream. The correct answer is to go to the best business school he can get into. Many more decide like Bob: in 1997 universities set up only 74 new business courses; in 2007 they set up 641 (The Economist 2011). The rise of the business school cannot be overstated and exposes a major shift in interest among young generations.

Going to a prominent business school is one of few routes where the rules of the game are pretty much transparent. All Bob needs to do is mindlessly grind the standardized tests required to get into top business schools. As mentioned in the first part the brain is quite neuro-plastic and connections are lost and created through mental activities such as test taking. So even if the tests are the antithesis to Bob's natural talents - he can always bang his head against the wall and given sufficient time he will break through.

Disclaimer: I have spent my higher education in two top European Business Schools. I painfully write

these lines.

Fortunately for Bob the road to a well-paid position in a prestigious corporation is more standardized than a car assembly line. Interviews, reasoning tests, case studies – they're all a repetitive sequence of Hula Hoops Bob has to jump through. Like the standardised tests before Bob only needs to practice the pattern and memorize it really well. Thinking is completely optional. Actually thinking can slow him down during interviews and he might produce less than perfectly phrased answers.

#### *Everybody is Doing it*

Once Bob has landed his dream job in "Goliath INC" he is hit with more standardization. After all it's not easy for a multinational conglomerate to operate without heavy bureaucracy. But Bob doesn't mind it. He just has to learn the rules of the new environment and steadily climb the corporate food chain. Maybe go back to his Business School for an MBA. The work might be long and dull but it pays disproportionately well and it doesn't require any unconventional thinking. Shareholders want steady profits and hate unpredictable courses of action. Trying to change the system or incorporate counter-intuitive ideas might hinder his professional ascent and create a few unnecessary enemies. If the idea is implemented and it fails he can not only lose his job but get stigmatized in business circles. Either way the corporation will survive: it is too big to fail. Bob better not bother.

#### *Off the Beaten Path*

Outside the long but straight path from a prospective Business School student to a high-flying job in a corporation Bob would be in an unpredictable position. Becoming an

entrepreneur does not require any tests. That's the problem. Bob might read thousands of start-up books and still not come with a half-decent idea. He cannot make customers buy his product just by showing an Ivy League diploma. Mindless hard work cannot produce results if it's not animated by the spirit of a good idea. Let's say Bob becomes a journalist – people would not start reading his articles just because of his ability to feign interest during long meetings. Bob would be desperate enough to try thinking.

#### **Part IV - Revelation**

This leads to the reason why younger generations chose a streamlined world. Modern technologies turbocharged globalization. Globalization and new technologies created severe "winner takes all" effects in many industries. The "winner" corporations grew in market share across countries, fought the laws of gravity and became too big to fail. Eventually they drove away competition from start-ups and reduced the allure of entrepreneurship. At the same time certain professions became monotonously skewed to favour a handful of individuals. All these effects have narrowed down the safe and predictable paths to success (as measured in money and status). The paths that lead to work behind the sturdy walls of corporations carry the best risk/reward ratio. Outside is the overtly brutal "winner takes all" world where there are no defined rules for success.

Ultimately there is a big problem with the extreme skewing effect of modern incentives. Since the route to work in a giant corporation is now disproportionately more attractive than alternatives young minds will continue to flock to it. Many students forego their natural talents or entrepreneurial instincts and flee to safety. The path

they have chosen is like a giant standardized test – you don't need outside-the-box thinking. Grunt work is more than enough.

#### *Illusory Gains*

Competition intensifies but does not produce smarter workforce - only people who are better “test takers”. Since the 1940s people's IQ has been rising but we are not smarter. We have just been better training our brains according to our definition of smart (Intelligent Life 2007). As mentioned in the beginning the brain makes new connections and dissolves old ones.

By choosing the “path of the business school” younger generations develop a flavour for the standardized, for the familiar and crippling dislike of uncertainty. This newfound appetite for standardization may spill into other aspects of their life such as voting decisions.

Life is not a standardized test. Changes are occurring faster on a global scale and we cannot use standardized solutions on new and unique problems.

Leo Tolstoy stated: “everyone thinks of changing the world, but no one thinks of changing himself.” In an almost ironic twist we now stand to suffer from the opposite problem: people who are ready to change themselves completely to fit a pre-specified model of the world and further reinforce it.

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