

Dale Dauten: What seems unpromising could surprise you

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Opinion by Dale Dauten

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"There is no such thing as talent. Talent is pressure."

Alfred Adler

The surprising Paradox of Surprise: When it comes to trying something new in business, the goal is to find the change most likely to work. To find it, you talk to those with experience and maybe hire consultants, then implement the change, feeling confident.

And guess what?

Any surprise you get is to the negative, leaving you saying, "What? That can't be right. Check your numbers!"

So here's the paradox: If we are to have any chance for a welcome surprise, then we must try what seems unlikely to work.

Who does that? Well, for one, Keith Van Scotter. He's the CEO of Lincoln Paper and Tissue, and the one who got me thinking about surprise. Back in '04, he bought out a shuttered paper mill and returned it to life. When I mentioned this to Mrs. Dauten, her response was, "There are still paper mills in the U.S.?" Yes, some nimble ones. In the case of Lincoln, Van Scotter said, "We had to make five years worth of changes in a couple of months."

To do so, they had to become experts on rapid experimentation. They hired a company called QualPro. (I've previously written about the company and its founder, Chuck Holland — available under "columns" at dauten.com.) By helping companies undertake a large number of experiments, simultaneously, Holland has concluded that half of corporate experiments have no impact, one-quarter produce a positive benefit, and one-quarter make things worse. Now there's a coin you don't want to flip unless you get a lot of flips — and that's exactly the point.

An example from Lincoln: A 50-year-old machine was no longer producing the quality of card stock that the market-place demanded. Six other companies make a competing card stock, and Lincoln's own internal testing rated their product as seventh out of seven. The experts, internal and

external, suggested that the only hope was to alter the speed of production; otherwise, the old machine had to be replaced.

However, rather than merely testing that one factor, the folks from QualPro interviewed all the employees who worked on that production line and made a list of every factor affecting output/ quality. They did their testing and learned that the most likely factor (speed) had zero effect. The response of the mill manager? "That can't be right—check your numbers!"

Thus, we see how expertise, combined with consensus, can set up the sorry, one-way surprise. However, because Van Scotter and his team had tested other variables — nearly a hundred, including all the ones that didn't seem to matter — they had a series of welcome surprises.

Now, the 50-year-old machine is producing card stock that isn't seventh-best, but second-best, and does so by using less fiber than newer machines in competing paper mills.

Van Scotter now has eight internal teams, all testing dozens of factors.

He says: "We don't have to bring in experts to tell us what will work. We don't have to listen to the people who say, 'We tried that 20 years ago and it didn't work.' Now we just do the test and see."

One of the most beautiful sentences in the English language is, "Let's try it and see what happens."

You don't have to have the answer, just the willingness to experiment. Not having the answer is the measure of a good experiment, for it measures the opportunity for a welcome surprise.

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