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It is not possible to prove any new idea in advance

By Vivek Kaul

Large organisations and new ideas do not go together. There are multiple reasons for the same, points out **Roger Martin**, dean, **Rotman School of Management**, University of Toronto, in his new book *The Design of Business - Why Design Thinking is the Next Competitive Advantage*.

"The demand that an idea be proved before it is implemented," is the major reason why most new ideas get killed. But the question here is, how can an idea be proved, even before it is implemented?

It is here that Martin introduces us to the work of Charles Sanders Peirce, an American philosopher, logician, mathematician, and scientist. "His important insight was that it is not possible to prove any new thought, concept, or idea in advance: all new ideas can be validated only through the unfolding of future events," writes Martin.

Take the case of McDonalds, founded by Richard "Dick" J. McDonald and Maurice "Mac" McDonald. As Martin writes "The brothers had opened their first restaurant, a barbeque and burger drive-in in San Bernardino in 1940. It wasn't too different from other drive-ins, which had been popping up. Within a decade, though, the McDonald brothers realised they had to revamp their restaurant, or find a new line of work. The brothers experimented with different menus and store formats, until they arrived at a winning approach. The brothers called their new concept the 'Speedee Service System'. It was the prototype of a quick service restaurant."

This format really worked, and in 1961, the brothers sold out to Ray Kroc, who used to sell milk shakers to them. Kroc then took the company worldwide. But the basic point is that the McDonald brothers had no clue that their system would be such a success.

As Martin writes "The McDonald brothers didn't know that their Speedee Service System would work. They had imperfect data, but no irrelevant data. They knew that carhop restaurants had the appeal of relatively quick service, but had some drawbacks - loitering toughs and cold food. Their logical leap, their inference, was that patrons liked the basic concept but would like it a lot more if the restaurant were a drive-through with a narrower, more standardised menu. The brothers had no "proof," but they did not lack logic."

A similar example is that of the success of various products launched by Apple Inc (formerly Apple Computers). Steve Jobs, the co-founder of Apple, returned to Apple as CEO in 1997. On his return he launched the iMac line of desktop computers which were a runaway success. "While he is credited with launching the iMac line of wildly coloured desktop computers upon his return to Apple as CEO, Jobs did not create or even initiate the iMac, which was essentially ready to go by the time Jobs returned to Apple.

Previous management had hemmed and hawed over releasing the over-the-top iMac, which looked like nothing the personal computer industry had ever seen before. PCs were beige or grey boxes. But the iMac came in candy colours such as turquoise and tangerine, and it showed the guts of the computer through a translucent skin," writes Martin.

It need not be told that iMac was a huge success. But at the time of launch there was "no data to suggest that the iMac would have appeal. But the intuitive, validity oriented argument would have held that people might crave beautiful objects, even when it comes to electronics. If that argument was right, the iMac might actually succeed." And succeed it did.

Soon after the success of iMac, Jobs looked at another new product. As Martin writes "Jobs looked at another one of Ive's (Jonathan Ive, a star Apple designer) new designs, an MP3 to player to be dubbed iPod - and decided that the next apple product would not be a computer at all, but an entirely different product, which would be a late entrant into a crowded field."

This product of course was what we now know as the iPod. But at that point of time "all the reliable data said that was a dumb idea. But Jobs chose to believe in what might be, rather than what was; he stared into the mystery of how young people in the twenty-first century wanted to interact with their music."

Of course, another big company would have dumped the idea.

"Not even Steve Jobs could have predicted how consumers would embrace the iPod. How in the world could one device achieve 70% share of such a crowded market? It seemed impossible, but it was achieved thanks to someone (Ive) designing a marvellous product and someone else (Jobs) giving it a chance to succeed," writes Martin.

The lack of trust to experiment with new ideas is what makes companies obsolete over a period of time. As Martin points out "In 1928, the Dow Jones Industrial Average was fixed at thirty companies for the first time. Of those original thirty companies only three remain in the composite. Of the original Fortune 100 companies, published in 1955, only 11 are still on the list. In fact, on both original lists, most of the companies either no longer exist or have become part of other companies."