



Conventional Wisdom isn't Wise!

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Conventional wisdom is a major barrier to innovation that threatens the survival of companies everywhere. It's based on the assumption that old ideas will always work, so they shouldn't be challenged. While this may be a valid assumption in situations that don't change, it's unlikely to hold true in a changing situation.

In today's hyper changing global environment, old methods often don't work, and stubbornly using them can lead to major problems; including bankruptcy and liquidation. Examples include K-mart, [GM](#), Borders Books, Sears, Kodak, Circuit City, etc.

Most people implicitly agree with [conventional wisdom](#) because it gives one a false sense of security. If everyone else believes it, then it must be true. Individuals who use conventional wisdom are certain that they are right, and being right is good. They want to continue using old ideas rather than take risks with changes that might not work. In 1977, Ken Olsen, co-founder and CEO of Digital Equipment Corporation (DEC), stated "There is no reason for any individual to have a computer in his home." Despite being a dominant leader in the computer industry, DEC no longer exists.

There Can Be No Innovation Without Change

People seem to forget that since innovation is a change, there can be no innovation without change. Unfortunately, [conventional wisdom prevents leaders, followers and companies from changing and therefore innovating](#). If companies don't innovate, but their competitors do, the future is likely to be problematic. Breaking from conventional wisdom has led to many of the most innovative companies and products in history across many industries, so it has a powerful effect on business success.

Ted Turner (founder of CNN) knew little if anything about the news business, but he knew it was inconvenient to watch news only at the dinner hour; as was common before CNN. Turner's solution was to create a cable channel dedicated to news 24 hours a day. The news establishment reflected conventional wisdom at the time, and predicted his idea would fail because no one wanted to watch the news all day. However, it doesn't take a rocket scientist to understand that viewers don't have to watch the news all day for the CNN to work, viewers just have to watch when they want to get information. Due to conventional thinking, the critics failed to recognize the opportunity that was clear to Ted. They assumed that only what was familiar to them could work in the future—a hallmark

of conventional wisdom. Their narrow thinking was also due to years of success using the “news at the dinner hour” model. Why change something has worked for so long? In a prime example of [unconventional leadership](#), Ted broke from conventional wisdom and the rest is history. CNN is now a recognized leader in it’s industry, and Ted is a billionaire.

Conventional management wisdom dictates that companies should focus on what they know. Instead of focusing on computers, which is what Apple knew, with [leadership](#) from Steve Jobs, Apple expanded into mp3 players, music distribution (iTunes), cell phones, tablets and retail. Compare Apple to its competitors that follow conventional wisdom. HP is in serious trouble, Dell is just getting by and Sony laid-off 10,000 employees in 2012. As of early 2012, Apple is the most valuable company in the US stock market. [Breaking from conventional wisdom can really pay off.](#)

Given that conventional wisdom fails so often, it is amazing that anyone pays attention to it. Reversing this tendency requires unconventional leadership setting expectations that employees make decisions that fit the current situation, not blindly using what worked in the past. Conventional wisdom prevents [creativity, flexibility and risk-taking](#), so unconventional leaders enthusiastically break from it. Here are some ideas to help you start doing the same:

Breaking from Conventional Wisdom

- Set the example by questioning conventional wisdom and anything else that you take for granted.
- [Anything that impacts work and performance is fair game for discussion](#), re-evaluation and change (dress codes, work schedules, political correctness, etc.).
- Encourage staff to [look for great ideas](#) in other industries, fields, etc.
- Hire unconventional thinkers who challenge conventional wisdom and have creative ideas to replace it.
- [Recognize staff](#) for trying things that break from conventional wisdom, even if they don't work.

[To survive, thrive and maintain competitive advantage](#), companies must be *flexible* when reacting to change. Stubbornly holding on everything that contributed to past success may lead to failure in the present and future. Think outside the box and break from conventional wisdom so you can innovate, survive and win.

Check out my [book](#) to get tons of great ideas on how to become an unconventional leader and create an innovative organization.

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creativity, flexibility and risk-taking so they can innovate and win. Eric has written over [35 articles](#) and presented his ideas around the world. He is the author of [Compete Outside the Box: The Unconventional Way to Beat the Competition](#). Originally from New York City, his presentations are delivered with a sense of humor, 100% unedited honesty and street smarts. For more information go to www.CompeteOutsideTheBox.com.

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