Ep #50: The Creator’s Code with Amy Wilkinson

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Roger Dooley

The Brainfluence Podcast with Roger Dooley
Welcome to the Brainfluence Podcast with Roger Dooley, author, speaker and educator on neuromarketing and the psychology of persuasion. Every week, we talk with thought leaders that will help you improve your influence with factual evidence and concrete research. Introducing your host, Roger Dooley.

Roger Dooley: Welcome to the Brainfluence Podcast. This is Roger Dooley, and our guest this week is Amy Wilkinson. She's a strategic advisor, entrepreneur and lecturer at the Stanford Graduate School of Business. In the past she's held leadership roles with McKinsey and JP Morgan and showed her entrepreneurial skill by starting a small, foreign-based export company.


Amy, welcome to the show.

Amy Wilkinson: Thank you, Roger. I'm delighted to be with you.

Roger Dooley: Amy, I was really impressed by the people that you interviewed for your book. Certainly many of the names are household names. Who are a few of the more memorable ones that our audience would recognize?

Amy Wilkinson: Sure. The book is based on 200 interviews, and some of the household names that we all know would be the founders of Chipotle or JetBlue, SPANX, UnderArmour. Certainly the Silicon Valley companies like Linked In or Airbnb or DropBox, Paypal. It's a wide variety of founders across industries and across the United States.

Roger Dooley: It's really great. I'm curious how you got access to some of these people. Elon Musk just doesn't return my calls. What was your secret for gaining access to these folks,

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because obviously quite a few of them have interesting stories to tell?

Amy Wilkinson: Sure. They're all really fascinating stories, and I was really fortunate to be able to spend time with them. The way that I just reached out was through friends and friends of friends. That's how I found all of these different founders.

The data set criteria is you have to start and scale a company over a hundred million in revenue in five years of time but not more than ten years of time, so a five- to ten-year trajectory to 100,000,000 in revenue.

The amazing part is really these founders want to share their stories. They're very happy to try to inspire other entrepreneurs, and that's the point of The Creator's Code is we all could create and scale ideas. Once I reached out, they were very happy to try to share their stories and share their time and insight.

Roger Dooley: That's really great. I enjoyed reading a lot of those. It was really fascinating that you were able to share so many of those stories with some first-hand accounts.

One thing I think it's important to emphasize for our listeners, the book is The Creator's Code. In this case we're talking more about entrepreneurial creativity or business creativity than some other kinds like artistic or perhaps even invention type creativity.

Obviously, many of these businesses did involve some kind of an invention, but the real skill perhaps came into figuring out how to scale that and create a business of the magnitude that you were describing.
Amy Wilkinson: That's right. It also takes quite a lot of unique insight. Whether it's actually creativity or spotting a gap, which is the first skill of six essential skills in the data set, or if it's just being alert to an inconsistency in the business marketplace. Alertness is a big part of it. Curiosity is a big part of it, but the skills are very relatable across, and that's a point that I do want people to understand is the data set is largely business founders, but the application could be in a business world, in the corporate business world.

You don't have to start your own company. You could apply, start and create an idea inside of an existing organization or non-profit, even in the government or a larger institution. It's very, very applicable, the six essential skills, so that all of us can create and scale ideas.

Roger Dooley: It's really a good point, because people think about entrepreneurship and the first thing you do is quit your job and start something from scratch when in reality a lot of people can't really afford to leave their day job just to take a fly around an idea, but within that day job they may be able to find those opportunities to create something while there's ...

The whole world of intraprenuership that is often overlooked, because there's a tendency in big companies, in particular, to say, "Nobody will ever buy that. Can't get that done," and sometimes that's reality. In some management environments it is really difficult to get stuff done, but that is a good point, that entrepreneurship can happen within a big organization too. You don't necessarily have to bail out and start from scratch somewhere.
Amy Wilkinson: That's right. The title of this book, The Creator's Code, that's very intentional that we're using the word "creator" instead of "entrepreneur." The idea is we can all be creators. We can all create and scale ideas. The code is really the six essential skills that come out of all the research. It's five years of research to try to inform six skills that would make everyone more effective.

It's not just about wearing a hoodie and starting a tech company in Silicon Valley, and that's often what people think about as an "entrepreneur," quote, unquote, or making a mobile app or something. The range of pursuits behind the research said it's as varied as a SPANX, a women's undergarment product, or Chipotle making the world's best burrito, as Steve Ells would say, or certainly Elon Musk standing out of SpaceX.

They've now just taken over contracts from NASA and they're re-supplying the international space station at one-tenth the previous cost. That's a very wide range of pursuits, and these people are all creators. We can all do that is the point. You, me, the neighbor, my brother; all of us have the ability to create ideas.

Roger Dooley: Why don't we go through those six essential skills? Did you find that they were evident in every case or did you typically find that in a given situation one or two of those was the key skill and the rest just sort of followed along?

Amy Wilkinson: Thanks for that question, because the big unlocking the code or cracking the code is that all of these founders have all six skills. We need all six of these skills, and when they are combined that's when the magic happens. We might be naturally good at two of them or three of them, but it's not a checklist and it's not a partial list. It really is that all of us can learn, practice and pass on all
six of the skills, but it's when combined that you crack the code.

Roger Dooley: Right. I don't want to keep our audience in suspense here too much longer, but I guess the immediate question that comes to mind is, can these skills be combined? In other words, if a particular entrepreneur or leader or CEO or whatever it might be, feels that, "Gee, I'm weak in a couple of areas here," can that be supplemented with another individual? In your research do you find that typically it was one person that managed to both have these skills and ensure that the organization was built around them?

Amy Wilkinson: The research definitely informs the fact that all of the creators that have scaled really these high-impact companies, they show personally all six of these skills. Now, that doesn't mean that they're not naturally more inclined towards a few of the skills, and it also doesn't mean that they don't complement with a co-CEO of Chipotle, for example, or other executive members of teams, allies in the marketplace. There's a lot of collaboration, but each individual is actually showing six skills.

Roger Dooley: That's good. That's really interesting. Without further adieu, why don't we talk about the six skills? The first one is, “Find the gap.” What do you mean by that?

Amy Wilkinson: Sure. The concept here is that creators find a gap that others don't see. That means spotting an opportunity. A great example is the Under Armour founder, Kevin Plank, out of Baltimore. He was a walk-on fullback to the University of Maryland; not a great athlete, not a fast football players at all, and was known as Maryland's
sweatiest player because he just worked harder than absolutely everybody else on the field.

What he found was his cotton tee shirt was weighing him down. When he was super sweaty, it weighed three pounds actually, and so he found a gap in the marketplace. It was a problem, his own problem, a somewhat comical problem. He went to a local fabric store and found that synthetic fabric would wick away moisture. He then went to a local tailor and had prototypes made, seven individual shirts to wear under football uniforms to test out in the Turps locker room.

Basically he's scaled now what is a $3,000,000,000 global sports brand, but it's an example of finding a gap. When he had a problem and he solved his own problem that was actually a gap in the marketplace.

Roger Dooley: That's not dissimilar to the SPANX story too. That's something that probably many of our listeners have heard before. The creator there also was trying to solve a personal need and then said, "Well, gee, if I've got this problem, maybe somebody else does."

Amy Wilkinson: That's right. Sara Blakely was a door-to-door fax saleswoman for seven years before she cut the feet out of her nylons and then didn't like the fact that her nylons were rolling up her legs. She was trying to wear a body-smoothing undergarment under pants and went to the local Peachtree Mall in Atlanta, Georgia, where she was living, and just couldn't seem to find the right undergarment. It didn't exist in the marketplace.

She basically went door to door on fabric, hosiery manufacturing mills in the Southeast until she finally got someone to manufacture a prototype and then she in
2012 became the youngest self-made female billionaire. That company at SPANX was started with $5,000 only. She built a solution to her problem and certainly found a gap in the marketplace.

Roger Dooley: Great story. Moving on, how about, “Drive for daylight?”

Amy Wilkinson: Drive for daylight is an example or the skill here is managing speed like a race car driver. Race car drivers look for the light on the horizon. They don't look at lines on the pavement or the competitors next to them, because they're simply moving too fast. They certainly don't look at the rear-view mirror, because that would be the wrong way.

Creators of great ideas and companies, they do the exact same thing. An example would be Elizabeth Holmes, the founder of Theranos. It's a drug lab-testing company that she has spent the last 10 years building. With a couple of drops of blood you can do 2- or 300 diagnostic tests in just a couple of hours. The long horizon view here is that we could not only detect disease but potentially prevent it.

If you could walk into a Walgreen's, she's just signed a contract with Walgreen's to roll across 8,000 drugstores in the United States, walk in, get a couple drops of blood taken, diagnostically test that for data in your blood and then find out that you might be on the pathway to having cancer but being able to prevent it before it becomes a tumor or having heart disease but being able to prevent that before a heart attack.

It's a very long-horizon view of building a company, all the way through Elizabeth Holmes has been thinking, “To go, to go. What's on the horizon? How do I fix this problem?”
Roger Dooley: Really that step is not getting caught up in the current challenges that you're facing and getting lost in the swamp but focusing on the long view at all times and keep heading in that direction.

Amy Wilkinson: That's right. There's a part of that chapter that talks about avoiding nostalgia. A lot of us are emotional or nostalgic about ideas or creations or business concepts. We think we have a plan for something, and creators really can let go very quickly of emotional decisions or history or the past.

A great example of this is Andy Grove out of Intel, and this is a number of years ago now when he was the president, CEO of Intel, but he looked at Gordon Moore and said, "Hey, what would the board do if they got rid of us, they fired us, and brought in a new CEO or a president?" Those two men looked at each other and said, "Well, we would get out of the microchip business."

They basically said, "Okay," and they fired themselves. They were not nostalgic about it. They got out of one business and they came into another business, and it completely revamped that company.

That's an example of not being nostalgic but driving for daylight, always looking forward regardless of the moment in time that you find yourself in your business context.

Roger Dooley: I think there's a lot of psychological traps that we fall into ranging from a sunk cost phenomenon, where we think about sunk costs as being real or at this point, just like Intel's memory business, whatever happened in the past, it was not really all that relevant to what was going to need to happen in the future.
Also things like confirmation bias, because if we started that other business or if we grew it, we tend to look for those rays of hope that, okay, that's going to improve next year because there's a data point here that suggests that, without really looking at all the rest of the data that says that business is not going to come back.

Amy Wilkinson: Sure, or also counter-factual thinking. In the entrepreneurship research there's academic studies around counter-factual thinking, which means, "Oh, I should have done this," "If I could have done that," "I wish I had done something else."

Creators of great companies, they don't engage in counter-factual thinking. The "woulda, coulda, shoulda," it's just absolutely not something that is in their mind. They drop it and they just move forward, and it saves quite a lot of time and energy that the rest of us might be consuming with what could have been; right?

Roger Dooley: Right. Your next skill has maybe the strangest name of all six. It's, “Fly the OODA Loop.” Explain that one.

Amy Wilkinson: Yes. The OODA loop stands for Observe, Orient, Decide and Act. This came out originally of the air force. There was a fighter pilot named John Boyd, known as 42nd Boyd because he could shoot down an opposing fighter jet in 40 seconds or less. The reason he could do that, his framework he called the OODA Loop. If you could observe, orient, decide and act faster than the competition, you could change the landscape or change the dynamics of a fight.

That's the concept as well in the business world. A great example is Paypal. The original founders of Paypal changed their business model six times in 18 months.
They observed, oriented, decided and acted. They moved faster than the competition. They engaged with eBay. In the late '90's, early 2000's eBay was giant company, and they were a tiny startup, and yet they continued to outmaneuver that big company.

They sold to eBay and then they went on, the original team of Paypal guys, went on to start YouTube and Yelp and Yammer and Linked In and put the first money behind Facebook. The whole next wave of the internet came out of this core team at Paypal that could do this. They could observe something, orient very quickly to it, decide and act and build companies with just rapid speed.

Roger Dooley: I think that's certainly a problem that faces a lot of larger companies today. They simply can't get stuff done very quickly. I think in Silicon Valley you've got a more entrepreneurial and fast-moving culture. In a lot of organizations it's difficult to move simply because there are these structures in place and budgets and plans and expectations and meeting next quarter's numbers and all of that that makes that difficult, but it needs to be done to succeed.

Amy Wilkinson: Yeah. I believe that anyone can fly the OODA Loop. It's harder and bigger structures, and there's more friction points, but it's something that at the individual level all of us can be doing.

Roger Dooley: How about, “Failing wisely?” This one seems like something that is a hallmark of many successful entrepreneurs.

Amy Wilkinson: Everyone in the book talked to me about failure. That was a surprise to me. These look like creators at the apex of their industries, and yet all of them have a failure story.
That's the name of the skill, “fail wisely,” because you want to be smart about this. There are ways to be smart about setbacks.

One of them is what I'm calling, set a failure ratio, which means that you actually know you're going to get it wrong 20% of the time or 10% of the time or 30% of the time. You're not striving for a perfect record in a world that changes as quickly as it does.

An example here would be the Opower founders, and they're a great company that just went public in 2014. They're a conservation company of energy. They started based on small experiments of in California hanging door knockers on doors of homes saying, "Please turn off your air conditioning and please turn on your fan." They did four experiments before figuring out what would work.

The first door knocker basically said, "Please turn off your air conditioning, turn on your fan, because you could be a good citizen." No one changed behavior. The second experiment said, "Please do this. You could save the planet. Global warming is real." Nobody changed their behavior. The third door knocker on homes around the door was, "You could save $55 on your electricity bill." Still that didn't compel people to change behavior. The forth experiment is what did work, and that said, "Seventy-seven percent of your neighbors are turning off their air conditioning and turning on their fan."

It's an example of little experiments that then produce results, but it's very different from striving to have a perfect record.

Roger Dooley: Right. We've had Roger Cialdini on Podcast in the past, and that's a fantastic example of social proof and the
power of social proof. His new book has some additional examples of that too, where simply focusing on what other people are doing is far more powerful than telling people what the benefits will be, what the consequences will be. People want to fit in. That's a great example.

Amy Wilkinson: It's a great study, especially for your audience. It's an interesting thing to build a company on. The Opower founders basically built the company on that study, and then they continued to implement it.

Last summer they did in Baltimore another experiment about peak demand use, would people turn off their dishwashers from two to four in the afternoon, but the result was only when they thought their neighbors were doing the same thing.

It's a fascinating way to grow a company over a hundred million in revenue.

Roger Dooley: It works at all levels. I think now you see so much use of social proof everywhere. “We have 20,000 subscribers.” “We have 50,000 customers,” and so on. That's all in the same vein of trying to show people that they're part of a community and that other people are doing this.

The “Networking minds” sounds interesting. What about that one, Amy?

Amy Wilkinson: Networking minds is about bringing brain power towards you or bringing other minds to help you solve problems in new and innovative ways. The concept here is around cognitive diversity. If we talk about diversity on what we look like on the outside, race or gender, socioeconomic differences, this research set basically says, "No, what matters is what goes on inside your mind and how you
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bring other people with different points of view to help you solve a new problem."

An example is GE. The designer of the MRI machine is a man named Doug Dietz. That technology is phenomenal, the MRI technology, but he realized one day while he was in a hospital observing the MRI machine that children have a terrible time. Eighty percent of kids have to actually be sedated because an MRI machine is big and scary, makes a lot of noise, claustrophobic.

He got all these diverse constituents together, from kids and daycare providers and designers of children's museum exhibits, certainly hospital staff, doctors, nurses and technicians. They all got together and they came up with something called The Adventure Series for Kids.

Now MRI machines have seven different themes, a safari theme and a space odyssey theme and a jungle camp and different ways that kids, especially, and then these designers for kids could come up with something that's brought the sedation rate to zero. The exact same technology, but by getting different minds, by networking minds in there, the result is completely different.

Roger Dooley: I think it makes a huge amount of sense, Amy. Oftentimes you have the reverse where you may bring competent people together but they all think the same way and have the same skill-set and the same orientation and background. You can sometimes end up with some really bad decisions that way.

Amy Wilkinson: Yeah. There's great research actually out of Columbia University in New York done by Kathy Phillips. It says that there are different experiments she runs. One of them that I cited in the book is about fraternities and sororities.

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It's done with kids on campus saying that if you are only with your own fraternity or you're only with your own sorority members and you try to solve a murder mystery, a problem, that you feel real comfortable because you're used to being around those people, but if you instead mix it up and have an outsider come into your group from a different fraternity or a different sorority and try to bring in a different point of view, that makes people feel uncomfortable, but they are a lot more likely to solve the problem.

This idea, whether we're in fraternities or sororities or different ethnic groups or different socioeconomic backgrounds or different training ... An anthropologist with an engineer with a neuroscientist with an educator. When you bring these diverse minds together, you actually solve problems a lot more effectively, but people feel a little bit uncomfortable. It's not as easy as being around people that are exactly like us.

Roger Dooley: I think that works in almost any kind of team-building. I remember back in ancient history, my business school days, we had frequent team projects, which I didn't enjoy that much, because trying to get a team of students ... We were all night students actually, and trying to get everybody corralled and working together and people with varying levels of ability was really a chore.

Oftentimes I'd grab hold of the project and say, "Okay, I'll do the write-up. I'll do this" just to get it done and had one group, though, that we fought like cats and dogs, but the product that came out of it was actually very good because every point really had to be debated and won by somebody despite the friction in the process. The result was no doubt superior.
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Let's get to your last point, Amy, “Gifting small goods.” What does that mean?

Amy Wilkinson: Gifting small goods is about the exchange of small kindnesses. A small good would be a small favor. In the workplace that could be forwarding a resume or writing a few lines of code or critiquing a proposal or making an introduction. These are all small ways that we can help each other.

The big surprise, our counter-intuitive insight about technology I find, is that our reputations now are completely known. We do know and with LinkedIn, this is the basis of Reid Hoffman, the founder of LinkedIn, building an online professional career website where you can do these things, forward resumes and collaborate with other people in an industry or across an organization or across geographies.

The concept is your reputation will be known. The proliferation of communication is fast, and that in fact the counter-intuitive insight is it places greater importance on good behavior. Gifting small goods not only is the right thing to do. It’s morally right to be helpful to your colleagues. It makes you more productive now, because others know your reputation. They know how you're behaving, and people want to work with people who are collaborative.

People who are gifting small goods in fact are receiving more information. Talent is coming towards them, more deal flow. It's a fascinating thing to observe in the marketplace that actually nice guys finish first here.

Roger Dooley: I think the transparency affects brands too certainly in pretty much the same way that a brand or a business

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can't fool people anymore. Anything they try that is shady or a problem they try and cover up isn't going to stay covered up for long.

Going back to Bob Cialdini too, you're also invoking the reciprocity effect there when you do something for somebody, especially if you do it without an expectation of getting something back or without any sort of a barter agreement. That then can be a very powerful too and makes it much more likely that person will subsequently cooperate with you.

Amy Wilkinson: That's exactly right. I was a student of Cialdini. I have a Master's in Sociology out of Stanford, and I remember all of the influence book and this exact principle.

What I think is even more interesting is that it's more than reciprocity now, because we know certainly how someone treats us and how we would reciprocate back, but you can also now with transparency in the marketplace, observe. The third party, people who are not even in that transaction, are observing the behaviors of people, and so there's indirect reciprocity.

There's all of these other factors in play that make it so that those who are doing this, whether you're in the direct interaction with them or you just hear about it or you observe it or you somehow know that someone is a generous person in the workforce. That is making people a lot more the go-to person, so I think it's more than reciprocity.

Roger Dooley: You're also leveraging reciprocity now in today's environment.
Amy Wilkinson: Right. There's some great research out of Harvard done by Martin Nowak, and he's an evolutionary biology expert. He talks about reciprocity and indirect reciprocity and then communities that are having this generous and altruistic, in many cases, behavior.

He's showing it as the next leg of evolution. He's really taking it beyond Darwin's theory of natural selection and mutation. What he's saying is in a more complex world we have to collaborate, and those who do, we know what they're doing, and they will be the survivors; right? It's the survival of the fittest. The third leg is now this ability to really be cooperative.

Roger Dooley: Great. We've gotten through all six just barely. I think the great thing about the book is that each one of these is illustrated with a lot of anecdotes too. This is research-based, but the stories to go with it really illustrate how these work. I highly recommend the book.

We have been talking to Amy Wilkinson, author of The Creator's Code: The Six Essential Skills of Extraordinary Entrepreneurs. We'll have links to Amy's book and website on the show notes page, so just navigate to RogerDooley.com/Podcast, and there will be a text version of our chat there too.

Amy, how can listeners find you online and connect with you?

Amy Wilkinson: Oh, thank you, Roger.

The best way to find me is just AmyWilkinson.com, and on my personal website are wonderful resources for anyone who wants to create and scale ideas. Please go there.
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I can also be found on Twitter, @AmyWilkinson. Sign up, and if you want to be someone who's creating and scaling ideas, there are free resources. Certainly there's information about the book there, but I would be very interested in connecting with anyone who wants to scale up a new concept.

Roger Dooley: Great. Thanks so much for being on the show, Amy.

Amy Wilkinson: Thank you, Roger.

Thank you for joining me for this episode of the Brainfluence Podcast. To continue the discussion and to find your own path to brainy success, please visit us at RogerDooley.com.