

THE BIG IDEAS

Little Bets

+ Bold ambition.

Growth Mindset Muscles

Time to build them.

Going Suck to Unsuck

That's the game.

Smallifying

To rock it.

Small Wins

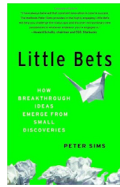
Progress and marginal gains.

Unpredictability

Progress and un-straight lines.

Do Things

To discover what to do.



Little Bets

How Breakthrough Ideas Emerge from Small Discoveries

BY PETER SIMS · SIMON & SCHUSTER © 2013 · 224 PAGES

“Experimental innovators like Rock, Brin and Page, Bezos, and Beethoven don’t analyze new ideas too much too soon, try to hit narrow targets on unknown horizons, or put their hopes into *one big bet*. Instead of trying to develop elaborate plans to predict the success of their endeavors, they *do things to discover what they should do*. They have all attained extraordinary success by making a series of little bets.

Little Bets is based on the proposition that we can use a lot of little bets and certain creative methods to identify possibilities and build up to great outcomes. At the core of this experimental approach, little bets are concrete actions taken to discover, test, and develop ideas that are achievable and affordable. They begin as creative possibilities that get iterated and refined over time, and they are particularly valuable when trying to navigate amid uncertainty, create something new, or attend to open-ended problems. When we can’t know what’s going to happen, little bets help us learn about the factors that can’t be understood beforehand. The important thing to remember is that while prodigies are exceptionally rare, anyone can use little bets to unlock creative ideas.”

~ Peter Sims from *Little Bets*

Little bets.

Peter Sims tells us they’re a LOT wiser than bet-it-all-and-pray big bets.

He shows us the wisdom of the little bets approach via fascinating stories highlighting the extraordinary success of everyone from Chris Rock mastering a performance to Pixar creating their ingenious films.

Did you know that when he’s creating a new show Chris Rock will perform in tiny clubs while taking notes as he experiments with what sticks and what sucks?

And how about Pixar. Did you know they lost tens of millions of dollars as a hardware business then a software business then a digital animated TV ad company before evolving into a full-length feature animation company?

Yep. All via little bets.

The book is a fun, impactful, quick-read. If you’re looking to install more innovation into your business (and/or life), I think you’ll dig it. (Get a copy [here](#).)

Although not a self-help book per se, it’s packed with Big Ideas we can apply to our personal lives and I’m excited to share some of my favorites so let’s jump straight in!

“In this era of ever-accelerating change, being able to create, navigate amid uncertainty, and adapt using an experimental approach will increasingly be a vital advantage. The way to begin is with little bets.”

~ Peter Sims

BOLD AMBITION + LITTLE BETS

“By advocating the little bets approach, I am in no way arguing against bold ambition. Ambitious (dare I say the overused word audacious) goals are essential. Jeff Bezos, Chris Rock, and the Google founders would never have done anything great without them. A big vision provides the direction and inspiration through which to channel aspirations and ideas. But one of the most important lessons of the study of experimental innovators is that they are not rigid in pursuit of that vision, and that they persevere through failures, often many of them.”

We’ll kick the party off by making it clear that, as we embrace the idea of small wins via little bets, we also hold the big, bold, audacious ambition of what’s possible.

It’s not “either/or.”

As (pretty much) always, it’s “Yes, and…”

We stretch our vision of what’s possible then pin that to the present moment—holding that dynamic tension as we take baby steps in the direction of our dreams while placing little bet after little bet as we experiment with what works and what doesn’t.

Navigating that much ambiguity takes a lot of courage and persistence. AND, most importantly, it takes a growth mindset—which is the subject of Chapter 2 and our next Big Idea! :)

DEVELOPING GROWTH MINDSET MUSCLES

“Being rigorous about spotting flaws and continuing to push toward excellence is essential to creative achievement.”

~ Peter Sims

“Of course, no one likes failing. But that’s not the point. Our creative capacities won’t be liberated unless we let go of the subconscious need to always be perfect or have the immediate answer. None of this is easy, and there will inevitably be setbacks but, as Carol Dweck’s research shows, a change of perspective can be developed through experience.”

This is another reason why the little bets approach can be so effective: It helps us to cultivate an exploratory, growth mind-set. Practicing little bets frees us from the expectation that we should know everything we need to know before we begin. Redefining problems and failures as opportunities focuses our attention on insights to be gained rather than worrying about false starts or the risks we’re taking. By focusing on doing, rather than planning, learning about the risks and pitfalls of ideas rather than trying to predict them with precision up-front, an experimental approach develops growth mind-set muscles.”

If we want to optimize and actualize we MUST (!!!) cultivate a growth mindset. Period.

We’ve already covered [Carol Dweck’s *Mindset*](#) (see Notes) and have come back to the theme numerous times, but after reading Peter’s chapter I read Dweck’s [Self-Theories](#)—which is a collection of essays that basically serve as an in-between for her research articles and mainstream *Mindset*. (That’s the next Note I’m writing.)

In short: It’s IMPOSSIBLE to overstate the power of how we choose to see the world.

If we think our skills are kinda sorta fixed rather than very (!) malleable, we’re going to constantly try to look good, take very little risks and respond to failure with helplessness.

If, on the other hand, we wisely (!) know that—with effort and persistence over an extended period of time—we can dramatically improve our abilities, we’re free to experiment and learn. Failures no longer elicit shame. They just provide a little more data to help us dial it all in.

Back to this book. One way to build your growth mindset muscles? Little bets.

Deliberately experiment with everything in your life. Find the marginal gains and just try to get a little better every day rather than always trying to look good and prove you have it all figured out.

Remember: Focusing on progress rather than results is the fastest way to get the results we want.

"As John Lasseter expresses his perfectionism, we don't actually finish our films, we release them."

~ Peter Sims

GOING FROM SUCK TO UNSUCK

"Central to Pixar's success in fostering this growth mind-set through the ranks is the company's attitude about failure. Pixar's managers see a host of failures, false starts, and problems as the modus operandi for developing their films. In fact, when Ed Catmull sums up Pixar's creative process, he describes it as going from suck to unsuck. Pixar film ideas begin on rough storyboards that suck until they work through thousands of problems throughout the process in order to take films from suck to unsuck.

Of course, just failing is not the key; the key is to be systematically learning from failures. To be closely monitoring what's working and making good use of that information."

When you imagine your favorite Pixar film (is it *Toy Story*? or *WALL-E*? or...), how do you think it was created?!

Probably some genius had the vision then scripted it out then sequentially storyboarded it and then they went to work bringing that vision to life with, of course, some little tweaks in the process but following a reasonably linear process to awesome.

Yah.... Riiiiight. And, most definitely: NO.

The team has a basic idea of a story line and then they go NUTS iterating and iterating and iterating. Testing ideas and frames and literally producing tens of thousands of storyboards to get it to its final product. (Get this: *WALL-E* had 98,173 (!!!) storyboards. <— WOW.)

From *suck to unsuck*.

How amazing would our lives be if we had the willingness to embrace the suck and have fun unsucking?

Exercise program suck now? Awesome. What's a little bet you can place to see if that unsucks it a tad? Nutrition suck? Sweet. Same process. Sleep suck? Great. Let's place some tiny little bets and run some experiments to see how we can dial it all in!

Suck to unsuck.

That's the game. Let's play it.

P.S. Let's get practical.

Q1: What's your most important self-care habit that could use some unsucking?

Q2: What's a little bet you can place to see if you can unsuck?

Q3: Today a good day to run the experiment?

SMALLIFYING

"The key is to take a larger project or goal and break it down into smaller problems to be solved, constraining the scope of work to solving a key problem, and then another key problem.

This strategy, of breaking a project down into discrete, relatively small problems to be resolved, is what Bing Gordon, a cofounder and the former chief creative officer of the video game company Electronic Arts, calls *smallifying*. Now a partner at the venture capital firm Kleiner Perkins, Gordon has deep experience leading and working with software development teams. He's also currently on the board of directors of Amazon and Zynga. At Electronic Arts, Gordon found that when software teams worked on longer-term projects, they were inefficient and took unnecessary paths. However, when job tasks were broken down into particular problems to be solved, which were manageable and could be tackled within one or two weeks, developers were more creative and effective."

Smallifying.

Reminds me of the marginal gains concept we explored in [Matthew Syed's *Black Box Thinking*](#) (see Notes) where he shares the story of Sir David Brailsford (British cycling genius) and tells us: *"His answer was clear: 'It is about marginal gains,' he said. 'The approach comes from the idea that if you break down a big goal into small parts, and then improve on each of them, you will deliver huge increase when you put them all together.'"*

In my interview with Syed, he said the marginal gains approach is what transformed England's weak Olympic performance in 1996 (one gold in Atlanta) to dominance in sports like cycling and a total medal count near the top.

They smallified everything. (Literally, EVERYTHING.)

Syed tells us: *"The marginal gains mentality has pervaded the entire Team Sky mindset. They make sure that the cyclists sleep on the same mattress each night to deliver a marginal gain in sleep quality; that the rooms are vacuumed before they arrive at each new hotel, to deliver a marginal gain in reduced infections; that the clothes are washed with skin-friendly detergent, a marginal gain in comfort."*

That was about Britain's dominance at the Tour de France—an event they had never (!) won before installing the marginal gains mindset. Since installing? They've won 3 of the last 4 races.

Again, back to YOU: How can you smallify challenges in your life and find those marginal gains?

P.S. If the British cycling team is so committed to winning the Tour de France and values sleep so much in pursuit of that goal that they BRING A MATTRESS FOR EACH RIDER AND MOVE IT FROM HOTEL TO HOTEL (!!!), maybe we can go to bed at a regular time? (Hah!)

P.P.S. As we get our smallification on, let's remember our telephone poles from *Spartan Up!*: *"The way to get through anything mentally painful is to take it a little at a time. The mind can't handle dealing with a massive iceberg of pain in front of it, but it can deal with short nuggets that will come to an end. So instead of thinking, Ugh, I've got twenty-four miles to go, focus on making it to the next telephone pole in the distance. Whether you're running twenty or one hundred and twenty miles at a time, the distance has to be tackled mentally and physically one mile at a time. The ability to compartmentalize pain into these small bite sizes is key."*

SMALL WINS

"The key is to appreciate that we can't plot a series of small wins in advance, we must use experiments in order for them to emerge."

~ Peter Sims

*"As we begin to make use of these methods to develop new ideas, strategies, and projects, they combine to facilitate what organizational psychologist Karl Weick refers to as *small wins*. Weick defines a small win as 'a concrete, complete, implemented outcome of moderate importance.' They are small successes that emerge out of our ongoing development process, and it's important to be watching closely for them. ..."*

In the acclaimed paper in which Weick described small wins, published in the January 1984 issue of *American Psychologist*, he used the example of how helpful it is for alcoholics to focus on remaining sober one day at a time, or even one hour at a time. Stringing together successive days of sobriety helps them to see the rewards of abstinence and makes it more achievable in their minds. Elaborating on the benefits of small wins, Weick writes, *"Once a small win has been accomplished, forces are set in motion that favor another small win."*

Little bets. Smallifying. Small wins.

Let's talk about the importance of progress. In [Shane Snow's *Smartcuts*](#) (see Notes), we looked at research done by Harvard Business School professor Teresa Amabile who studied what affects people's relationship to their work the most.

"Another benefit of small wins is less immediately obvious: They enable the development of the means to attain goals."

~ Peter Sims

As Snow tells us: *"The answer, it turns out, is simply progress. A sense of forward motion. Regardless how small. And that's the interesting part. Amabile found that minor victories at work were nearly as psychologically powerful as major breakthroughs."*

Progress is huge.

Getting there via small wins reminds me of [Stephen Guise's Mini Habits](#) (see Notes). Recall that a mini habit is a habit that's so small it can't fail. Rather than 50 pushups a day, for example, you commit to doing 1. Rather than 20 minutes of meditation, you do 1.

Guise tells us by going "stupid small" we give ourselves the opportunity to create a little momentum. He says: *"Chances are that you will do extra sometimes. And the reason relates to basic physics. Newton's first law states that..."*

- 1. An object at rest will stay at rest unless an external force acts upon it.*
- 2. An object that is in motion will not change its velocity unless an external force acts upon it.*

Can you see how this relates? Once you take the first step, you are officially in motion. You will find as I have, that once you get started it is almost as hard to stop as it is to keep going. Add to this that nothing is more motivating and inspiring than seeing yourself take action. Put it together and we get a new equation: One small step + desired behavior = high probability of further steps."

Small wins → Progress → Momentum = What we're looking for!

THE UNPREDICTABLE NATURE OF SMALL WINS

"One element of small wins that is particularly tricky to absorb is that very often they will not emerge in a linear fashion, so they cannot reliably be predicted or planned for and may not build on one another, one step after another. In some instances, one small win may clearly lead directly to another. This was the case for Ed Catmull and his team at Pixar. As Weick describes the unpredictable nature of small wins:

It is important to realize that the next solvable problem seldom coincides with the next 'logical' step as judged by an outside observer. Small wins do not combine in a neat, serial, linear form with each step being a demonstrable step closer to some predetermined goal. More common is the circumstance where small wins are scattered and cohere only in the sense that they move in the same general direction... A series of small wins can be gathered into a retrospective summary that imputes a consistent line of development, but this post-hoc construction should not be mistaken for orderly implementation."

This is a REALLY important distinction. NOTHING evolves in a perfect, straight line.

As [Daniel Amen](#) shares in [Change Your Brain, Change Your Life](#): *"When people come to see me they are usually not doing very well. Over time, if they work the plan we develop, they get better. But no one gets better in a straight line. They get better, then there is a setback, then they get better still, then there may be a setback, then they continue to improve. Over time, they reach a new steady state where they are consistently better. The setbacks are critically important, because if we pay attention to them, they can be our best teachers."*

Do you learn from your failures or ignore them? New brain-imaging research suggests that when some people fail their motivation centers become more active, making it more likely they will be able to learn from their experience. When others fail the brain's pain centers become more active—it literally hurts—making it more likely they will do whatever they can to avoid thinking about the episode, which means they are more likely to repeat the mistake. Learn from your mistakes and use them as stepping stones to success."

Here's to allowing small wins to aggregate in unforeseeable ways! :)

" Pixar directors understand what seasoned entrepreneurs like Jeff Bezos and agile software developers do: The faster they fail, the faster they will discover promising opportunities."

~ Peter Sims

DO THINGS TO DISCOVER WHAT TO DO

"As we have seen, General McMaster, Chris Rock, Frank Gehry, agile software developers, Pixar animators, and seasoned entrepreneurs like Amazon's Jeff Bezos, Muhammed Yunus, and Belkin's Chet Pipkin all *do things to discover what to do*. At the core of this experimental approach, they use little bets to discover, test, and develop ideas that are achievable and affordable. Little bets are their vehicle for discovery, whereby action produces insights that can be analyzed, as Frank Gehry might when he builds a new prototype model, in order to identify, frame, and reframe problems and ideas, so that he can then adapt and act using little bets again."

Doing things to discover what to do. <— That's the essence of the book.

Reminds me of [Gregg Krech](#) in [The Art of Taking Action](#) (see Notes) where he tells us: "So when we are confronted by indecision, we need to take action despite our doubts or confusion. We need to move forward, even if we're only taking small steps. Those steps, regardless of which direction they go in, are likely to give us new information and experience. Our actions send ripples into the world. The situation may change or reveal itself in a new way once we have moved to a new vantage point."

Think of your life as a movie you are watching. You are midway through the movie and you don't know what is going to happen. But you're not supposed to know what is going to happen. The movie is not over yet. This is the challenge posed by the demon of indecision: Can you move forward in the face of uncertainty? Can you co-exist with confusion and not-knowing and take the next step?"

All this leads us to our most important question (ever!): What must *you* do next?

Here's to little bets and small wins as we optimize and actualize!

B

Brian Johnson,
Chief Philosopher

If you liked this Note,
you'll probably like...

[Smartcuts](#)

[Black Box Thinking](#)

[The Art of Taking Action](#)

[Mini Habits](#)

About the Author of "Little Bets"

PETER SIMS



Peter Sims is a bestselling author, entrepreneur, and speaker, as well as the coauthor of *The Wall Street Journal* and *BusinessWeek* bestseller *True North*. His articles have appeared in *Harvard Business Review*, *TechCrunch*, and as an expert blogger for *Fast Company*. He collaborates with faculty at Stanford's d.school and lives in San Francisco. Connect: petersims.com.

About the Author of This Note

BRIAN JOHNSON



Brian Johnson loves helping people optimize their lives as he studies, embodies and teaches the fundamentals of optimal living—integrating ancient wisdom + modern science + common sense + virtue + mastery + fun. Learn more and optimize your life at brianjohnson.me.