

Jacob Morgan 00:00

Hello, everyone, and welcome to another episode of The Future of Work podcast. If you're just tuning in, my name is Jacob Morgan. I'm an author, speaker and futurist that explores how the workplace is changing. And as far as I know, this is the only podcast show that really looks at the future of work and how the workplace is changing. And ultimately, my goal is to help future proof your career in your organization. I do that by interviewing authors, business leaders, and executives at global organizations around the world that are doing interesting things and helping push the conversations and discussions forward around the future of work. So these might be people like chief technology officers, CEOs, chief information or innovation officers, and oftentimes Chief Human Resources or chief people, officers, and all of them have very interesting perspectives. So every episode, not only does it feature a new guest, but it also explores a new topic. And the Topics ranged from Workplace design, from the internet to the Internet of Things to millennials and changing demographics to you name it, as long as it pertains to how the workplace is changing. I cover it here. And before we get going, I got to thank this week's sponsor, which is Polycom. Polycom is a leader in the communications market. They help businesses around the world unleash the power of human collaboration through innovative voice, video and content sharing technology. If you want to learn more about how Polycom is bringing the workplace of the future to organizations, just like yours, make sure to visit polycom.com actually had the chance to visit their offices and tour there. They call it the vault, to see some of the interesting technologies that they're working on. And they definitely have some cool things that are that are coming your way. Now, if you hear any background noise, apologies, have the entire Morgan family visiting from Australia from Southern California, and we're all going to Fleet Week. So you'll either hear loud people in the background, or you might hear a jet engine passing over by a fighter fighter jet. Because like I said, it's Fleet Week. So apologies if you hear any of those things. I'm very, very excited about today's guests, because I'm using some of his research in my upcoming book, the employee experience advantage, which is coming out March of 2017. If you Google the name on Amazon, or just type in Jacob Morgan, Amazon, you'll be able to preorder it, but I haven't actually publicly told anybody that it's out yet. It's a very, very, it's going to be a very, very interesting book. And one of the things that I look at is this research that was done by Professor Tom Gilovich. And he's a professor of psychology at Cornell University and author of a book called The wisest one in the room, how you can benefit from social psychology, his most powerful insights. And today's topic is actually how do you become the wisest one in the room? So we talked about a few different things. Some of the things that we look at are the difference between wisdom and intelligence. Those are actually two very, very different things. And people oftentimes mix the two up, we also look at how to, or why we miss evaluate certain situations or things and why we evaluate other things. Well, so what is it that causes Miss evaluated versus evaluate some things, we'll look at some strategies and techniques to be the wisest person in the room. And the research that he's been focusing on that I'm using for my new book is basically, he found and he worked with it with a team on this, he found that when we spend our time, or when we spend our money on purchasing physical goods, or product, over time, our satisfaction goes down. When we spend our money on experiences, over time, our satisfaction goes up. So in other words, if you buy, let's say, a new computer, over time, your satisfaction starts to go down. But if you go skydiving or if you plan a vacation to Hawaii, over time, your satisfaction goes up as you relive it you recollect that you look at pictures, memories, stuff like that. So it's very interesting. And I use that parallel to talk about work, because work seems to be one of those things where it feels like a transaction. Once you join an

organization, you've kind of purchased you've bought in and over time your satisfaction goes down. And how do we shift to create organizations that are more like experiences where when you start working there, overtime, your satisfaction goes up? How do we build the kind of a company? That's ultimately what I'm going to be talking about in my in my new book, but it's some research that I've cited from Tom because I thought it was very, very interesting and fascinating. So in general, this is a super cool podcast, because it's not that often that I get to speak with a professor of psychology, and my Bachelor is one of my best source degrees was in psychology. So it was fun to kind of relive some of these concepts and themes that I haven't heard about and talked about in quite some time. A couple of things that we look at, and then I'll jump right into the podcast, we look at motivation, and how that is impacting the workplace. We'll look at who's responsible for creating the sense of purpose, is it the employee? Or is it the organization. And we also look at some biases that we're all subjected to biases around what we want to hear. And it's a concept called naive realism. And Tom definitely shares his perspective around that and what that is and how to avoid that. So in general, whether you are an employee or whether you are a manager or an executive or just somebody with a pulse, you probably want to know how to be the smile, the wisest one in the room. And this podcast, I hope, will definitely help you with that. And make sure to check out Tom Gilovich his book, it is called a wisest one of the room how you can benefit from social psychology his most powerful insights. And now, let's get right into this week's episode of the podcast with Tom Gilovich, professor of psychology at Cornell University. I hope you guys enjoyed this one. But

06:16

432 This is a journey into your mind. You'll know when it comes to hope it never comes at reading. Welcome to the future podcast with your host, Jake and

Jacob Morgan 06:38

welcome, everyone to another episode of the future work podcast. My guest today is Tom Gilovich, who is the professor of psychology at Cornell University. And also the author of a very cool new book called The wisest one in the room. How you can benefit from social psychology is most powerful insights. Tom, thank you for joining me.

Tom Gilovich 06:59

Hi, Jacob. Thanks for having me on.

Jacob Morgan 07:00

So I originally came across you and we talked about this before we started recording, I was doing research for a new book that I'm working on on employee experience, and came across an article that you wrote for The Atlantic, either you wrote or quoted in I can't remember. But you found some very interesting, interesting research where basically people are happier when they spend money on experiences instead of things. And so after a couple of emails, here we are. So we'll definitely talk about that. And I also want to talk about your book. But why don't we start with some background info about you? So what do you do as a professor of psychology? What are some of the fun things you're working on now?

Tom Gilovich 07:48

Okay, I'm a social psychologist with an interest in judgment and decision making. And basically, everything I do is connected to the idea that, you know, are these organisms that have evolved to deal effectively with the world around us? And how do we do that? How to, what kind of information do we take in? How do we evaluate that information, and use it to form judgments form beliefs decide on courses of action. And although as I said, we do that in a very adaptive fashion, we make lots of good decisions, we survive from day to day and even flourish occasionally. Nonetheless, we can all do better, I think, we can make better policy decisions that are personal decisions and so on. And so part of my work focuses on how do we sometimes miss evaluate the evidence that we encounter in our lives and draw inappropriate conclusions form unfounded beliefs and occasionally embark on counterproductive or even disastrous courses of action. And so, you know, that's a very broad subject, and one can do a lot of different research in it. And, and that's what I've done. And so that's why I like this field, the diversity of things that one can study. Over my career, I've studied sports decision making relationship, decision making and judgment and political judgment and decision making. You name it, and that that has been very rewarding.

Jacob Morgan 09:30

It sounds like a very dynamic field. I got a bachelor's degree in psychology and economics years ago. So I was always super interested in psychology. So I think it's a fascinating space. How much of your time is spent teaching versus actually running experiments or doing research?

Tom Gilovich 09:53

That I wish I could give you? An answer that had any pretense to act. Ever see, I just find those judgments about how Wait, what portion of my day am I doing this, I can't even decide one. Again, this gets back to why it's a nice career to have. There are times when quite frankly, I can't tell whether I'm working or playing that, you know, when I'm talking to my graduate students, and we sort of laying out a new idea. That's just a lot of fun. So at some level, we're just playing and many times, we're just speculating about things, and we never end up doing research about it. And so maybe it would, it would be inappropriate to say we were working, then we were just having fun. Yeah, but other times we do the exact same thing, it leads to a program of research that takes up our energy for the next several years. And I guess it's fair to say, Oh, we were working at that time. So I don't really know. Cornell is very teaching, very intro, I love teaching. It's a great environment here at Cornell, a lot of really passionate students. And Cornell has a manageable teaching mode. And one thing about teaching is, it's just one of the most fun things to do. As long as you don't have to do too much of it teachings a little bit like donuts, if you have a couple of donuts, you're great. If you have one too many, it's all of a sudden. And so my heart goes out to people like, you know, public school teachers who have to teach session after session after session in a day, and they do a better job than they're given credit for. And, and that's hard work. And so

Jacob Morgan 11:35

yeah, I don't think anyone will, will disagree with you that teaching is a lot of hard work. Do you ever sort of secretly run experiments on your students or other faculty members without them knowing it? Just to kind of see if any of your theories or ideas are correct?

Tom Gilovich 11:52

Well, that's a very good question. Technically, we can't do that. That is every experiment that we run, if it really is an experiment, we're and so any data that we collected, we would use in an empirical report, it first has to be approved by a Human Subjects Committee here on campus or whatever campus one is associated with? So no, we can't, you know, I can informally pretest things, ask my colleagues, what would you do if you faced a choice between this or that? What would go through your mind and I can use my the comments of my colleagues, students to inform a later true or more formal experiment.

Jacob Morgan 12:38

So it's not like you have a bunch of psychologists that are pranking each other over there, Cornell doing more formal?

Tom Gilovich 12:46

Well, there may be Frank's but I'm sorry.

Jacob Morgan 12:49

Okay, perfect. So I want to touch on the your, your new book really quick before we jump into some of these themes around the experience. So your book is called How to be the wisest one in the room. And I just had the opportunity to, to finish reading it, which was very interesting. But maybe can you give us a summary of what that book is about for people that are not familiar with it?

Tom Gilovich 13:14

Sure. And maybe the best way to start would be to talk about its origins, I became interested in writing the book, because at the end of an Introduction to Social Psychology course that I teach every year, I have a wrap up lecture about, okay, we've just spent 14 weeks talking about what social psychologists have learned about the human experience. What can we take from what we've learned and put it into practice to lead better, richer, more fulfilling happier lives. And every time I do that, I find new things that seem to me, this is really quite useful. This would be helpful to students. And so the that lecturer has gotten richer and richer, and at some point, just felt like, there's a lot of lessons here, very proud of my field. Social psychologists have a lot of done a lot of very good work. And so it seemed that it should get out beyond the classroom. What are some of the core ideas of the field of social psychology? And how can they make all of us be a little bit wiser? Perhaps even the wisest one in the room?

Jacob Morgan 14:27

And the book, is it fair to say that? I mean, it looks at a lot of techniques and approaches and strategies, everything from Stanley Milgram his famous experiments, to various biases that we might have around either political candidates or around even climate or weather. So you outline a lot of these different I don't know what the right word for it is. They're not theories. They are, I guess, techniques or things that we do in our lives that shape our opinions. And it seems like you provide a way to not fall into some of these very common traps that exists in our lives.

Tom Gilovich 15:10

That's the hope. That is to outline an important principle, show how it influences our behavior for good or bad. And with that leave people with some ideas about how to use it for good and how to avoid having it steer them in the wrong direction.

Jacob Morgan 15:32

Now, one of the things that you just mentioned was this idea of leading a happy more fulfilling lives. And a recent statistic I just found by the Bureau of Labor Statistics, I think it was by the Bureau of Labor Statistics found that we, in a given life, we spend around 30% of our time working, which is quite a lot. And work is one of the leading causes of stress. So many people are apparently not engaged in the jobs that they do. That's my dog saying hello to you in the background. So quite clearly work. That's my other dogs saying hello to you. It's a party now. So clearly work is a big part of shaping our happiness. So how does that play into all of this, because it's not just our personal lives, but work that we spend so much time doing?

Tom Gilovich 16:29

Yeah, I mean, if you look at the literature on happiness, a bunch of things fall out. That is how one is doing relative to people around you seems to matter a lot and exactly how rich you are, for example, doesn't matter, it matters. But it doesn't matter as much as whether you're falling behind or doing better than that. And the peak people in your immediate environment, that's a big fact about happiness. Another big fact about happiness is the remarkable human capacity for adaptation. And that's a very good thing, when we're talking about bad things that happen to us. If something terrible should happen to us. It will be terrible by definition, and we'll be upset, sad, devastated. But we, we rise above it. And people's capacity to find joy in a life that has been subjected to events that no one wants, no one would plan for etc. is really a great testament to the human spirit. On the positive side, however, that is when Well, it's actually a negative, I'm gonna say, when it comes to positive events, our capacity for adaptation is actually an enemy of happiness. We achieve some new status at work, we win a prize, something good happens to us, we're ecstatic. And we say to ourselves, Well, I'm never going to sweat the small things after this. Well, that's true for a while we are ecstatic, we get used to these new things we adapt to the new pay raise we just got, and the new car that's so thrilling at first become simply the car. And so at occasion, be an enemy of happiness when it comes to the good things in our lives. That's the second big fact about happiness. The third is the importance of social connection. That we're people often say we're a social species, there's every reason to believe that that's true. And therefore, when we have satisfying personal relationships, we just are much happier than when we doubt, I worry a little bit about that finding has been out in the popular literature a lot. And I worry a little bit that it could be slightly misunderstood. And people could think I've got to have a million friends, or I'm kind of introverted, what's wrong with me? Well, there isn't anything wrong with you, there's nothing wrong with being introverted, they could be quite happy. What psychologists mean by having rich social connections is having the sufficient number for you that number that you're happy with. And for some of us, that could be a relatively small number. For others of us, it needs to be a much bigger number. And I worry a little bit that all the attention that's gone with that, with that fact that we're a social species might be convinced might be making some people unhappy. And then we get to what you mentioned a bit. Another big fact about happiness is that when people have work that's gratifying and it's meaningful to them. They're just much more likely to be happier than if they find that work tedious and as you say, if you're spending 30% of your time working would be very nice to be very helpful. If you could have a job or find a way to make your job more gratifying.

Jacob Morgan 20:10

Have you thought about or I don't know if you've done any studies on this or if any of your colleagues or peers have. But it seems like if you were to believe all of these reports that organizations keep putting out that only 13% of employees around the world are engaged, it seems like or at least it's being portrayed that most people in the world don't like their jobs, and that most people are unhappy with the work that they are doing. And it's very interesting that, like, it's hard to imagine how and why that's the case. Like, are we really all just working for these terrible companies, and we're all just miserable people that hate our jobs? I don't know if you have any thoughts on that. But I'd be curious to hear what you think.

Tom Gilovich 20:59

Well, one of the biggest ingredients about weather. Let me start differently. If you ask, if you know, people who are happy in their work, and you interview them, let's suppose you did a modern day Studs Terkel working, and you interviewed people. And the people that said, Yeah, I'm really happy in my work, and you looked at their jobs. Overwhelming majority of them would be people who have a great deal of autonomy in what they do. Being a college professor is, is a great occupation, partly because we can decide what you know, what goes in the classroom, what exactly are we going to t, what exactly we find to do research on there are some constraints, of course, but there's a lot of freedom to decide what we're doing. Artists, of course. Even more freedom, writers tremendous amount of freedom. And those are the kinds of professions that people say yeah, this is a love. And so the challenge is how in a, in an organization, a large organization, how can you give your employees a little more autonomy and still have the the organization function well, and you know, find this a nice delicious kind of dilemma somebody dilemmas in life or this way that lives. In I want to provide employees with as much autonomy as you can, so that you have a motivated, happy, productive workforce. On the you, it's not called an for nothing, things need to be organized. Otherwise, you asked and how do you find the right balance between those two things? That's a hard task. And the best managers do the best jobs of finding that sweet spot in the middle.

Jacob Morgan 23:02

Yeah, no, I think that it's a very good point. I mean, this this, I think autonomy is something that we all care about, and want and, and value. And it's definitely one of the things that at least I'm focusing in my new book on employee experience. But then, of course, the other other factors like doing meaningful work, we keep hearing about this idea of a sense of a sense of purpose. And everybody should have a sense of purpose in the work that they're doing. Do you think that that sort of sense of purpose, I mean, how much of this depends on the organization versus on the actual person doing the work?

Tom Gilovich 23:48

Well, both are important. You know, that the more optimistic and happiest among us find a way of construing life, life's experiences in a way that bring them the most happiness. So they can take the same job that someone else might complain about, like, Oh, this is drudgery, or I have no autonomy whatsoever, and find moments and parts of the job where they do have autonomy or parts of the job where there is a great deal of meaning. You know, I think we mentioned in the book that the certainly apocryphal tale of the janitor working at NASA or two janitors working at NASA, I want to ask what you're doing while I'm cleaning offices. The other asked, What do you do and I'm helping to put a man

on the moon. Which janitor is happier? Well, we know the answer to that one, and it's the same job but one of one of them is thinking in broad or more meaningful terms than the other.

Jacob Morgan 24:54

So how do you think like that, is that something that can be taught is that just kind of in an inheriting thing, you know, Marshall Goldsmith? Who do you know, Marshall, by the way, I doubt. So Marshall Goldsmith, you know, one of the world's top leadership coaches. And he wrote a couple of great books on this topic. And he said that one of the big problems with things around employee engagement is that it's always focused on the organization on something that the organization should do, and something that organization should provide for the employee. And it's never focused on what the employee should be doing to change their behavior, and to change the way they think about their jobs. And so I think that is a very interesting way to look at this as well. So in the two examples that you gave the, the janitors and NASA, is there something that people can do to think like that other gender that says he's putting people on the moon? Or is that just something you're born with just a way of thinking?

Tom Gilovich 26:02

All of us can, we all have the capacity to think of any one action at multiple layers of analysis. So if you see someone walking down the street, and a piece of paper drops out of their hand, you literally describe it as, hey, that person just dropped a piece of paper, we would call that sort of a low level concrete description of what the person did. Other times, however, we'll see the exact same thing and say that person littered, littered is a broader, more abstract, you can litter in a variety of different ways. And usually, there's greater meaning in the more abstract kind of interpretation of that event. And so getting back to the example of the two janitors, both of them are right, you are sweeping the floors, that's a low level, concrete description of what you're doing, there's not much meaning there. It's at the higher level where the meaning resides. And when we think about what we're doing in higher level terms, if we're talking about good things, and hopefully, work is about the, you know, production of goods and services, providing the world that therefore, thinking of things at a higher level of analysis would be more gratifying. And more sustaining. Now, of course, are bad things. The higher level is worse. So a student on an exam could be accused of peeking at a fellow students paper well peeking that doesn't sound so terrible, or they could be described as cheating, which would get them bounced out of the university. Or, you know, snacking at night. That doesn't sound so terrible. pigging out, sounds awful. So when it comes to behaviors that we might think of as negative, the higher level interpretation is more meaningful, and therefore worse.

Jacob Morgan 28:08

So I wanted to ask you, and this might be a bit of a stretch. So if it is, let me know. I'm eager to hear it. Yeah. So there are and I find this, I don't know if you find this, but we live in a world now where people are, we're always talking about robots and automation, and technology, and all these things that are supposed to be disrupting the way that we work. And what I find very interesting is that a lot of these conversations, nobody ever talks about, you know, when these things might happen. And so anytime you open up some sort of a media outlet, it says, oh, all of our jobs are going to be replaced, everything's going to be displaced. And when I see stuff like that, I think, well, anything essentially, that you can think of, from a science fiction perspective, will one day happen. And I don't know why we are so stuck focusing on these things. Because we don't know when things will happen. But we're very

focused on them as if they're going to happen, like in the next two years, when these things might not happen for 50 years or 100 years. So is there a reason why you think we are so fixated on something, even though it might not present any kind of immediate impact into our way of life or working?

Tom Gilovich 29:33

Well, I think a lot of the discussion now is one of the reasons that attracts such attention is that unlike much of the science fiction of the past, it really has the flavor of something that's going to happen soon and therefore we better be prepared for it. That is to say, we've, you know, we remember days of calling people and talking to an operator and someone was employed to talk to us. Now we remember wishing he could talk to an operator and having the foil the IT system that set up to prevent us from talking to a person. And eventually, if we persevere and are clever, are off after 10 minutes, we can talk to a person. So they know that that kind of work is going to disappear. It's easy to relate to, because we've seen a part of it here and being on YouTube images of the self driving car. And it doesn't take that much imagination, then to sort of say, well, how many trucks how many people are employed in the industry? If they're self driving cars, why can't there be self driving trucks? In fact, there's more of a societal need for impact. Obviously, no punishing and, you know, highway hypnosis and drowsiness is, is such a difficulty, the robot and the IT software doesn't get tired. So maybe we should have that maybe there'll be fewer highway fatalities if we do. On the other hand, the economic disruptions huge, would be huge.

Jacob Morgan 31:23

Yeah. But I suppose part of the challenge with something like that is people don't look at the bigger picture of, okay, not only does the technology need to be available, but it needs to be at a cost that makes sense. It needs to be, you know, we have to have rules and regulations around it, we as humans have to be comfortable with it. So in other words, like things, at least from my perspective, some of the things that we're talking about, are much farther out, then where they are portrayed as being. And we're just very focused on this one aspect of it, which is, okay, is the technology available? Yes, oh, that means tomorrow, it's going to be everywhere. And people aren't looking at kind of like, the big picture of how is that going to become everywhere. It's not just you're not just gonna wake up and it will be there. So it's not to say that these things aren't happening. But I think our timelines oftentimes are unrealistic, as far as what's happening, and I find that to be very, very interesting.

Tom Gilovich 32:28

Yeah, I mean, that's forecasting, is by its very nature, risky business. And when we look at what are the most common kinds of forecasting mistakes that people make, I think you've put your finger on it, that is, psychologists refer to it as focalism. That is, you're asked, what effect will this have you focus on that bringing us let's go back to the subject of happiness that we were talking about before? What how happy would you be if you were to use the use of your legs, you then focus on what life would be like without those legs, and that would be terrible. And so of course, your forecast, this would be devastating, I'd be unhappy for the rest of my life. And moments when you were focusing on the fact you don't have the use of your leg, you would be unhappy. But we don't spend all of our time focusing on that paraplegics. They're by definition paraplegics, but they don't spend all of their time being paraplegics. They're also fathers come kind of sewers, etc. And so there are moments when the fact

that they're in a wheelchair is the farthest thing from their mind is they enjoy a smile on the part of their grandkids or enjoy the smell of a great meal. Or the taste of a great meal. Certainly.

Jacob Morgan 33:54

Yeah. All right. Well, thank you for indulging me on that. I just had to I was just really curious to hear what you think. Early on, you also mentioned this idea of Miss evaluating things, or evaluating things. Well, why does that happen? So how is it that we can miss evaluate something to such a massive degree? And other times we evaluate things and we're kind of spot on?

Tom Gilovich 34:23

Well, that's a big and interesting subject. There's a lot of things going on there. One of the things that I find most interesting there is that the world doesn't play fair. It gives us some information it it shoves some things right in our face, commands our attention and hides other equally relevant information in the shadows. And that of course, that's exactly why over a long people, a long period of time people gradually developed the so called Scientific Method And there is no method of science. It's it's a toolkit that people evolved the toolkit to overcome the unfairness of information that's presented to us in our everyday experience. That is, not everything that we get is representative. An example I used in an old book I wrote back in the 90s. was, I think it's still widely believed today. It certainly was then that if a couple is suffering from infertility, there can't conceive a child, they're often told by very well intentioned friends. Why don't you adopt a kid, and then you'll relax, and you might conceive a child on your own. Now, of course, that can be infuriating to the infertile couple, because it suggests that somehow they're doing something wrong, it's that their fact that they're so tense is why they're not conceiving their own child. And it turns out, when you study this, people are not any more likely to conceive after having adopted a child than they would, by simply waiting the same amount of time it takes to adopt a child. So the belief is strongly held. There's no evidence for it. And that that's a psychological puzzle that is interesting. Why would people believe something that isn't true. And there in that case, it's not hard to see how the world doesn't play fair, all of the examples of people who were infertile, adopted a child and then conceive, those are noteworthy, we tell stories about those people. We hear stories, and then we pass them on and so on. The couple who adopted and had an adopted child, that's just their family, great, there's good fam, they've got the family that they want it, we don't even think we don't add that to the database in our head of does adoption lead to subsequent conception, and so many mistaken beliefs fall into that pattern, some information come very readily to our attention. Other information is kind of hidden from us. One of my most recent PhD students shy David I, who is now at the New School in New York, he and I have been doing some studies on a particular form of this type of asymmetry. And it's an asymmetry that can make people more resentful probably than they should be and less grateful, maybe then they ought to be. And it's based on a simple physical metaphor, if you don't know Do you ever bike for exercise? Do you bike? Yeah, like, yeah, absolutely. So when you're biking and you're facing a stiff wind, you're aware of the wind the whole time, it's literally in your face. And you're often like, oh, I can't wait till we turn in the other direction. And I'll have the wind at my back. And when you do, you're grateful for about a minute, and then you adjust to it. And you don't even notice that you've got a tail when that's pushing you along. headwinds are much more salient and attention grabbing you, and tail winds. And what's true bicycling is true about a lot of life, that is the things that we have to overcome the barriers, the things holding us back, we have to pay attention to them in order to overcome them, the things that are giving us a boost. On the other hand, we don't

necessarily need to pay attention to them, we can just enjoy the boosts that they're providing. And therefore, when we look back on things, it's pretty easy to get in touch with the feeling of Jade's just not fair, that person has more benefits than I do, because you can see that person's benefits, it's harder to see your own instead, you see your your barriers.

Jacob Morgan 38:55

Do you think that this applies to the workplace as well, as far as you know, peers that are looking at each other? Or? Because we see this all the time, right? You know, why did they get promoted? I didn't, we're doing the exact same job, but they got the promotion. So oftentimes, maybe we don't I think in the book, you call this? What was it naive realism. We're basically the way I interpret it is we have a very hard time taking somebody else's perspective or point of view. And we only look at things from our world. And from our world, if you know, they're the same job title as us and they got promoted, and we didn't clearly something must be spun in somebody else's favor. So does that kind of bike analogy apply to the workplace at all?

Tom Gilovich 39:46

I definitely think so. That is, you're very aware of all of the special you know, they might be similar jobs, but no jobs are identical. And so mine are going to be slightly different things As I have to do, the benefits I have the adversities I face are going to be slightly different than yours. But what the psychology tells us is that we're each going to be aware of our adversities and our barriers and the things we've had to overcome by their very nature, they command our attention. The things that have boosted us so much, they don't command as much attention and therefore things can seem unfair. Why did Jacob get that? Promotion? I put in look at all the things I had to overcome if the boss knew that surely he promote me. And we see this in academia, in a psychology department there, you know, different areas of psychology, developmental psychology, social psychology, cognitive psychology, and so on. And if you ask the PhD students in each day, in each sub discipline, how hard is it for you to do the things you need to do to run experiments, run them to completion, get papers published, get grants, and so on. Each sub discipline thinks that they have the hardest road to hoe that it's much easier for the developmentalist they only run a few subjects in view baby in their experiments, the developmental history. And now Now we've got it much harder than you do you have no idea how hard it is to run a baby through an experiment. You get to run college students through experiments, etc, etc. So yes, I think it absolutely applies in in the workforce. And it could it helps to so helps to explain why there's as much resentment and pettiness as there can be in organizations, which is a challenge for any savvy manager. If you want to be the wisest manager in the room, it's important to know about these sorts of headwind tailwind asymmetries to help you get a better handle on the kind of pettiness and resentments that arise in the workplace.

Jacob Morgan 42:00

So I'm going to ask you about how to do some of that stuff in a little bit. But before we jump into that, and get some kind of like tips and advice, we talked about how we miss evaluate, I'm guessing the opposite is true for how we might evaluate Well, we basically just have access to more data and more information, is it that simple?

Tom Gilovich 42:24

No, it's not quite that simple, the better data you have. And the more quickly you get it. After you've engaged in, let's say, a course of action, the more effectively you can evaluate that course of action. What's often mentioned here, much to the surprise of the average person, is that among the very best forecasters in the world, our weather forecasters, they're very calibrated when they say there's a 70% chance that it's going to rain, they're right 70% of the time. And that can be counterintuitive. Again, it's a little bit of an informational asymmetry all the times they get it wrong. We don't go to the corporation's picnic because we're sure it's going to rain because the weather forecasts are told us that then lo and behold, it's a bright sunny day, we go back to work on Monday, and everyone says Where were you we had a great time at the picnic. We remember those times we don't remember as much the times where the weather forecasters are correct. Anyway, it seems that one of the reasons that the weather forecaster is so well calibrated is such a good forecaster is that they get great unambiguous feedback, they make a very specific prediction. There's an 80% chance of rain, and then it rains or doesn't. Many forecasts are a little bit different than that. I forecast that. Yeah, if we, if we go to San Francisco this weekend, we'll have a good time. Well, good time is kind of ambiguous. And yeah, we'll make that call when we find out.

Jacob Morgan 44:01

And that's exactly the issue that I think I see with these conversations around robots and automation. They're very ambiguous. They're very one day your job is going to be automated. Well, okay. What's the percentage that my job will be automated around? What time period? Do you think it will be automated? You know, those are the types of things like with the thing with the items you've mentioned, that we don't see, we just hear these very vague conversations of like, jobs will be replaced. And then that's it. And so, and so from that, it's kind of like, oh, well, this prediction was made so clearly, you know, it's in the media everywhere. It's gonna happen. There's actually a really good book. I don't know if you've read it, called Super forecasting or super forecasters.

Tom Gilovich 44:52

Oh, yeah. By Phil Tetlock. Yeah, yeah. Right work on this very subject. Yeah, that's

Jacob Morgan 44:57

such a fantastic book and he touches on a lot A lot of the things that I think we just miss. So if anybody's listening, in addition to Tom's book, you should get the super forecasting book as well.

Tom Gilovich 45:11

Yeah, among the many things I like, of what Phil's doing is really trying to encourage all of us to demand of forecasters, either people that we see on the nightly news, or more importantly, politicians, who will make pronouncements that are often just ridiculously vague. And then they'll claim credit for anything that happens to fit that vague. Yes, yes, exactly. Exactly. And I and he failed prediction, because I didn't say that, to hold them to account to make tighter predictions that we can evaluate. So we know who's doing a good job or not.

Jacob Morgan 45:47

Yeah, exactly. Because I think, you know, anything that you can think of literally, like, one day, the sun will burn out one day, your job will be automated, one day, you'll teleport, like, I can make 1000

predictions right now that will one day happen. And so can everybody else. But we just don't have I think that's the next step that's missing is like, you know, when will this happen? What is the likelihood of this happening in my lifetime, you know, stuff like that getting a little bit more specific, is missing. And that's why I think the that book and some of the work that you guys are both doing is very, very interesting. But for some reason, it doesn't feel like a lot of people are aware of that. I have conversations with people all the time. And they say, Well, you know, I don't have a crystal ball, I can't tell you when it will happen, or I don't know what the likelihood will be. Meanwhile, you have like these super forecasters that do exactly that. So maybe it's just an education problem, you know, we don't have the tools and resources and approaches to be able to forecast properly and maybe others do. I don't know why we have such a big gap.

Tom Gilovich 47:03

The wealth gap are we talking about there?

Jacob Morgan 47:06

Well, between so forecasters, like weatherman, for example, they they can clearly you know, they do a good job of predicting the weather. You know, in Super forecasters, he outlines a lot of forecasters that do a very good job of predicting all sorts of crazy events that you wouldn't think that you could possibly forecast. And then on the other hand, you have most people in the world who say, Oh, I could never predict something like that I don't have the resources, I don't have a crystal ball, they just assume that they can't do it. But clearly, this is a skill that can be taught and clearly, you know, anybody can do it. It just seems like it's just not not a mainstream way to look at things.

Tom Gilovich 47:54

Yeah, well, there, you know, there have been a lot of people for a lot of years have been urging. And I think in the in the so called big data analytics world, there's a lot of things happening that may be encouraging here, the popularity of things like Moneyball the great success that Google has had running, controlled experiments with random assignment to conditions and getting instant feedback about options they might want to pursue. All of that is pointing in the direction of and reinforcing something that people have been claiming in education for a lot of times, we got to be teaching statistics a lot earlier. And there are some general principles about statistics, the need for an experimental and a control group, knowing when regression to the mean is likely to work, etc. that are just enormously helpful hand those are some simple, very powerful ideas that for some reason, we didn't give kids and there's a lot of signs pointing in the direction that more and more of that statistical training is, is getting out there and getting out to people earlier.

Jacob Morgan 49:11

Yeah, cuz then when you say something, you know, you make some kind of a prediction or an estimate or a guess you, you're not just saying it, you have some kind of methodology for why you're saying it and how you got to that prediction. Which is really interesting. Because now when I have conversations with people, and you ask them, like, I don't know, anything, oh, who do you think is gonna win the, you know, the next presidential election? And they'll say, Trump or Hillary? And I'll say, Well, you think it's likely going to be a landslide? And they'll say, Oh, yes, 70% Hillary or said, 80% Trump, and I'm like, aren't that you know, I mean, that's a specific percentage, right? So you got that percentage from

somewhere. How did you get to that thinking? And a lot of people just throw out these numbers and they don't really think about how they get to it. And I think that is you It's very cool. And I've been learning a lot about that. And I think that I personally wish I would have learned that at a younger age.

Tom Gilovich 50:08

Yeah, well, you should be an experimental psychologist. That's exactly the kind of thing that intrigues, a research psychologist, someone comes up with an answer 80%? Where did that come from? What were the mental processes that produce that answer to that question? And the the hunt to find out what those processes are exactly, is, is what the field is all about. And I think it's pretty exciting one.

Jacob Morgan 50:37

And sadly enough, I think oftentimes, when people see these numbers, there's not a lot of process that goes into where these numbers came from. And you know, I'm, of course, I'm guilty of that as well. I've definitely thrown out some random numbers.

Tom Gilovich 50:49

Yeah, but, but even those are interesting, too. That is to say, they're a bunch of reflexive kinds of, you know, we have lots of reflexive impulses and reflexive thinking, what are the rules that determine those reflexive responses? And then, of course, sometimes we act much more reflectively really consider information at our disposal. And those operate by a different set of rules. And psychologists are generally interested in both of those sets of rules. Yeah.

Jacob Morgan 51:19

And you mentioned Google, and I'm assuming you're referring to the the book that recently came out about Google's internal workings.

Tom Gilovich 51:29

Now, just the, you know, it's often mentioned, as when people talk about big data that they've got the most data the most access to data of anyone. Yeah. And the question is, how do you use it, and you could just use it the way people often in to intuit is the way to do things, we're thinking of starting a whole new approach to this problem, when we're going to introduce this product into the marketplace, we're going to change this policy. Okay, let's change it. And then let's see what happens. And when that happens, you have a problem on your hands. Was that was that change that you observe? Whatever it was that you observed? Was it due to the thing that you did? Or was it just bound to happen anyway, that and so you do experiments that you make the change in 4025 states, and you don't do it, and the other 25 states and you compare those, and because of the nature of their services, they were able to do that?

Jacob Morgan 52:33

Well, they you know, they also use anyone's

Tom Gilovich 52:35

been able to do and, and achieve great results as a as a result. And that story has gotten out. And now, businesses are much more interested than they have ever been in conducting controlled experiments.

Jacob Morgan 52:51

Google actually does a lot of this internally for their employees as well, which I think is really cool. Where they will actually create these sort of controlling variable, Variable Groups inside the company to test like, how do we get employees to be healthier? What what are the great qualities of a manager inside of Google? And I think they're one of the only companies I've seen, that actually runs experiments on their people all the time. And that is just, I think that's really cool. But I'm not aware of really any other companies that do that. Alright, so getting back to the main theme of your book, How to be the wisest one in the room? How do you become the wisest one in the room? What are some tips or techniques that we can use?

Tom Gilovich 53:39

Well, one of the things I like to talk most about that and we do talk about in the book is an idea that the person often described as the father of experimental social psychology, Kurt Lewin, who emigrated from Germany, he had this insight that often when we're trying to change people's behavior, like employees and our workforce, they're not doing exactly what we want. The most common thing to do is to try to push them in the direction we want them to go either give them more incentives to go in that direction, or punish them if they don't go in that direction, etc. And Lewin's Insight was to say, you know, there are times when that works when when people aren't sufficiently motivated. What they need is more of a push either through positive or negative reinforcement. And there are times where that is the case. If you're asking your employees to do just fundamentally not motivating work, you do need to motivate them more hire a motivational speaker for the annual meeting to pump them up, etc. times, many problems in life where people aren't doing the thing that we'd like them to do that might be in their best interest and so on. Isn't because They don't have sufficient motivation. They're perfectly well motivated, they just have a difficult time translating their good intentions into effective action. And understanding the difference between those two situations is places where motivation truly is a problem. And places where it isn't is a key to being wiser. And in the latter case, Lewin said, but the more you push people, if they're, if they're already sufficiently motivated, no amount of pushing is gonna get them there. You got to figure out why aren't they doing it? What's preventing them, and then look to the environment, do a careful detailed analysis and figure out what's preventing them and try to take those things away. And this insight, which Lewin called doing a channel factors analysis to try to create a channel that moves people from where they are to where you want them to go, is the idea behind the very successful book by Dick that Richard Thaler and Cass Sunstein nudge. Sometimes people just need a nudge in the right direction to to get them moving, they don't need more motivation to do so. And, you know, we can talk about some of the most dramatic examples of that, where you just change, change the environment ever so slightly, and you get a big, big effect on people's behavior.

Jacob Morgan 56:30

Do you? Do you have any examples? That'd be great. Yeah, well,

Tom Gilovich 56:33

the stock example there. And because it's just it's the data, just so stunning, has to do with differences in volunteer rates for organ donation. If you interview citizens in developed countries, and you ask them, you know, how in favor Are you of donating your organs in case of untimely death so that

someone else could use them? Whether we're talking about Belgium or Denmark, or Germany, or Austria or the United States, the public opinion looks pretty much the same. But you have participation rates in countries like the United States that's around, I think it's close to 15%. And in other countries, it's 98%. What's the difference, the surveys look the same. So presumably, the motivation is the same. But some countries like the United States have what's called an opt in program, you need to do something to be an organ donor, potential organ donor. Now, it's not a very big thing, you just have to sign the back of your driver's license, sometimes you have to have it witnessed by another person, depending upon jurisdiction. And so people have good intentions, they just never get around to it. So in the event of their untimely death, they their organs can't be harvested and given to someone in the other countries have an opt out system birthstone T and our donor, our government's not going to force you to be one. You can, whatever reason for any principal objection, you have just sign the back of your driver's license, and you don't have to be. And that tiny little change in the environment, what kind of policy world do we live in huge effect on people's behavior. So that there really aren't the kind of Oregon shortages in some countries that they're that are so pervasive, and others.

Jacob Morgan 58:30

It's actually a really cool story. So basically going from opt in to having to opt out instead, which I'm sure definitely makes a difference.

Tom Gilovich 58:41

Yeah. And in the workplace, of course, the place where you see this is, you know, do you a new employee comes in? Do they have to do something to sign up for payroll deduction? Everybody wants to do that. But sometimes you just don't know what kind of deduction to have, how much what kind of investment should I make, so I just never get around to it. Or you can have the company have a default policy where it look, it's your money, we're not going to, if you don't want to have it automatically deducted into some kind of savings account, you don't have to but here, sign here. And if you do nothing, it a certain amount is automatically taken out and invested in a relatively safe investment portfolio. And that has had a big effect on the amount of money that people have available for retirement.

Jacob Morgan 59:33

Yeah, remember that that story from your book as well? What are some other tips or pieces of advice that you can give to people that are listening to be the wisest one in the room? And actually, before we even get to that, we should clarify the difference between wisdom and intelligence, which you did in your book, but maybe you can do that before you provide some more tips.

Tom Gilovich 59:54

Yeah, we don't. Wisdom can mean many things and we don't know We never attempted to come up with a comprehensive definition of wisdom, we wanted to highlight a number of things that are part of a conceptual definition, the most important parts in our mind, and that distinguish it from intelligence. And one of them is that if you, if you're going to be wise, if you want someone to call you wise, you better be smart about other people. This gets back to the what we talked about earlier of people being very much a social species, you can be super analytically smart. But if you aren't smart around people, no one's going to think that you're wise. And in fact, the title of the book is, in part inspired by a book called The

smartest, I'm blanking out on the exact words, the smartest guys in the room, I think. And it was about the Enron fiasco, the guys who ran Enron into the ground. And everyone would agree that those were analytically smart people. But I don't think anyone would call them wise. And they didn't seem to have a feel for other people, and much concerned about the welfare of those beyond their immediate circle. And so wisdom is, in part, being smart about other people. Because after all, we we make the claim in the book that the most important thing in your lives, regardless of what kind of life that you live, are going to be other people. Even if you want to be completely left alone by other people, you just want to be in a cubicle writing code all day, still, it's going to be other people that are going to be more important than anything else in your life here, you have to write code for a market, you're going to have Boss, you're going to have customers, etc. So being smart about other people is a big part of wisdom. And so that's why we're presenting much of the social psychology of wisdom in the book. But with respect to what, what are some other things that we can do to be wiser. One is to appreciate the surprising power of momentum in people's behavior. People know that momentum matters. That's why we're all afraid of slippery slopes. That's why the NRA won't part of the reason the NRA won't tolerate any gun control, because they're worried that that will be a slippery slope. And something that might seem innocuous like, well, I don't want to go that path. Anyway, they're afraid of, you know, when some legislation that might seem innocuous is passed, that's just the first step. And then once you've got that first step, it becomes easier and easier to take the next step and concerned about where it might end. That can seem crazy to members who aren't in the NRA, of course, may be crazy. It may be crazy from a policy perspective, but the psychology that they're afraid of is a true psychology that it is we do resonate to slippery slopes, and we are subject to them, we are subject to behavioral momentum. Now putting that in more positive terms. There's this little jingle I heard the other day have you know, step by step by step? No, sorry, inch by inch. Life's a cinch yard by yard life is hard. And that captures an interesting part of psychology that, you know, if you just sort of tackle problems just by getting started do that first edge, which is usually pretty easy. Well, the next stage becomes a little easier because you've succeeded in the first one, then the next one, the next one and life's a cinch. If you try to do too much you worry about how far away you are from the end point. Right at the beginning, it could just be overwhelming and intimidating. Writers face this burden all the time where, you know, they'll often Oh, I just don't feel inspired today. And I won't sit down and write and good writers will often tell you don't worry about that. Forget about inspiration, just sit down and write and inspiration will come or it won't. But you'll profit from those days in which it does. And so just getting started getting the ball rolling. Taking advantage of the fact that so much of our behavior is subject to momentum is a key to being more effective and ultimately wiser.

Jacob Morgan 1:04:42

I know we're just about to wrap up. So I'll ask you maybe one or two questions, and then we'll be done. The one question was going to be around the the Atlantic article that you wrote around experiences versus purchasing things. So the analogy that I use in my upcoming book Which speaking of writers, I have 20,000 words that have 60,000 done. So I'd definitely, of course, overwhelming, excellent inch by inch, exactly inch by inch forcing myself every day. So one of the things I find interesting is that I equate working for most organizations in the world today, like purchasing a product, where your happiness over time and your satisfaction over time starts to decrease. And I think instead, we need to think of our organizations more as experience purchases, where the happiness doesn't decline over time. And I feel like a lot of our organizations don't do a good job of thinking about or creating experiences for their

employees. And so I thought maybe you could comment on on that. So in purchasing products versus experiences. And if you see a roll of experiences, if you see a roll of experience inside of our organizations in any way.

Tom Gilovich 1:06:08

Yeah. So when we did that work, we were interested in whether this notion, do people get more enduring happiness from purchasing experiences than possession? Was that really true? That was part of our job? And so we did some research to document that, yes, that impression does seem to be true. And it shows up all over the place. But then the psychological question is always is Why is that true? And so we did further studies to figure out all right, that hunch that you had is right, but why is it that we have more enduring satisfaction from experiences? And it seems to be that there are three things one is that our experiences connect us to other people more than our material goods do? And you can just do a thought experiment to think about this, imagine that you vacationed in the same place as someone else? How much closer do you think you'd feel to that person? How much of a, how much are you likely to talk about your joint vacant, not joint vacation, but the fact that you vacationed in the same spot, compare that to you have the same mug is another person or the same computer as another person that brings you closer to but not as much as the shared experience does. So that's one part of it. Experiences also are less comparative. That is, we do less Keeping Up with the Joneses, when it comes to our experiences, rather than our possessions. Again, a thought experiment, I think illustrates this if you found out that you had the same computer as someone else, but their computer was just better than yours had faster processor, brighter screen and so on, how bothered would you be by that and they paid the same amount of money as you had, you'd be bothered a lot, why didn't use the same thing. If you found out conversely, that someone else had gone to Costa Rica roughly around the same time you did, and you compare the experience after experience, and theirs was just sort of better than yours, that would bother you too, but not nearly as much because you have your memories, you're not going to trade them for someone else's. And finally, your experiences contribute more to your identity, after all, and in some meaningful way, we are the sum total of our experiences. And even though we identify with our material goods, and broadcast our identity through our clothes, our cars, our furniture, our houses, their material goods, nonetheless, stay out away from us, they're not ultimately a part of us, or as much of a part of us. So that's what makes experiences endure more provide more enduring happiness than our material possessions? Do those three things. And so if that's the case, why not take those same three things that you know, social comparison, how we stack up? Are other people doing better other people have cushy jobs, or their people have more exciting jobs than I do? Identity? What is the meaning of this job? Is it something that I can be proud of? Or is it something that's just kind of meaningless? And how much social connection goes on? If you apply those three things to the workplace? Then you have a handle on any manager has something to play with to how do I make the work experience more enduring ly gratifying? Am I am I bringing people together or am I setting them apart? Am I creating meaningful identities or stifling those identities, et cetera? I like

Jacob Morgan 1:10:00

it. And it's interesting because there are some companies out there like LinkedIn, and Cisco, who actually have these things called moments that matter where basically what they do is they try to identify the key moments in the life of an employee, and try to create nice experiences around it. So this could be, you know, when you first get accepted to working there, your first promotion, when you buy

your first house, and they try to create experiences around those moments that matter to you as an individual. And that, for example, is much more rewarding, I believe, then following the traditional employee lifecycle, you know, attract, retain, develop, because that's not how employees think when they start working for a company. So I really think this idea of experience and bringing it into our organizations can have a dramatic impact. So I think it's really, really cool stuff. So thank you for sharing that.

Tom Gilovich 1:10:56

Yeah, well, nothing would make me happier than if that research did had any traction in improving the employee experience.

Jacob Morgan 1:11:07

Well, so part of what I'm doing is analyzing 200 companies based on publicly available data around how effective they are at creating experiences. And I went through 150 research articles to see what employees care about most when it comes to culture, technology and physical space. And then I'm ranking in reviewing organizations based on that. So oh, well, I'll know in the coming weeks and months, if you know what those numbers and results might look like, I'll definitely share them with you. Great. Well, I

Tom Gilovich 1:11:41

look good luck with the next 40,000 words. Yeah. 60,000 When you get there?

Jacob Morgan 1:11:47

Exactly. Well, do you have any last parting words of wisdom to people that are listening?

Tom Gilovich 1:11:57

If you're find yourself just sticking with the experience idea, if you find yourself as we all do, we have limited resources, you've got vacation, you only have so much money and you're trying to decide should I have a more intense vacation that lasts a week or less intense vacation, I have to compromise on accommodations and so on and have it last two weeks. The science is pretty clear on that, that we don't remember the time so much. We remember individual moments. So take the shorter, more exhilarating vacation for the longer, more strapped vacation every time.

Jacob Morgan 1:12:35

I like it. Great words of advice. And where can people go to find your book, or to learn more about you in some of the work that you're doing?

Tom Gilovich 1:12:45

You can just go to Cornell University's psychology department and all the faculty are listed there. You can get to my laboratory website and the look of it is available. Like all books on Amazon, or if you were lucky enough to be in a community that still has and independently on bookstore. Hopefully it's at your independently on bookstore as well.

Jacob Morgan 1:13:06

Well, Tom, thank you very much for taking time out of your day to speak with me today.

Tom Gilovich 1:13:12

Happy thanks for happy to do so. And thanks for having me

Jacob Morgan 1:13:14

on. Yeah, likewise And thanks, everybody for tuning into this episode of the podcast. My guest again has been Tom Gilovich. We've been talking about how to be the wisest one in the room. He's a professor at Cornell University and make sure to check out his book on Amazon or wherever books are sold. I'll see you next time and Tom, thank you a again. It was a pleasure. Thank you. Bye bye. Thanks for tuning into the future of work podcast. If you want to learn more you can visit my website the future organization.com For check out the fo W community that's fo w community.com I'll see you in the future.