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Keynote Speech By: John Kao

Jamming: The Art of Getting Innovation Done

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Jamming: The Art of Getting Innovation Done

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MR. PHILIPPE BOURGUIGNON: I need my notes here, because the next speaker has a very, very impressive resume. He was called Mr. Creativity by The Economist. And by the way, I like The Economist and respect The Economist, so that is quite a title.

He calls himself an innovation activist, and for whatever I have done with him, I can tell you that is true. He is the Chairman of the Institute for Large Scale Innovation, and he and a group of people, he links numerous Chief Innovation Officers in and above companies, but he also advises governments, he has advised Finland, Singapore, the City of San Francisco, Abu Dhabi, some elements of the U.S. government, and of the European Union—good luck—on imagination. Sorry, bad joke.

He was a member of the Harvard Business School Innovation Policy Team, and has done so many things. I would like also to mention that he is Chairman of the Global Advisory Council on Innovation of the World Economic Forum, Davos.

And last, on a more personal basis, he is a wellness expert, and in fact he was trained as a doctor, and has a passion for urban planning, like me, and he also has a passion for Miraval. So, John? I did not see John in the room. I hope he is here.

MR. JOHN KAO: I am right here.

[applause]

MR. BOURGUIGNON: Thank you so much for being here.

MR. KAO: When Philippe gave me a call and said there was going to be an event, and in invitation to speak, which encompassed spas, wellness, innovation, and the imagination, I didn't really need too much encouragement, because I have kind of a missionary zeal to be where communities like this are at an inflection point and where innovation will matter to them.

As Philippe's introduction might have given you a sense of, I have been working in the innovation field for about 30 years in a lot of different ways, and in that kind of time frame,

you accumulate a lot of nicknames. Most of which I am happy to say I can repeat in polite company. The Economist one was pretty darn good, I have to say. It substituted for a whole hiring branding consultants or whatever, but the one that I cherish the most actually came from a very counterintuitive community, which was the U.S. Navy Aircraft Carrier Community, which has a lot of innovation issues and opportunities, where after about a year of working with them, they said, "Well, you know, we thought you were quite different from us, but now we get what your value proposition is, and we have decided to give you a call sign," which in that community is an honorific, and anyway the call sign is, "The Innovation Sherpa." I kind of like that, because my mission in life, or one of the central themes is, trying to help people find the high ground. Innovation is one of the most overused, and—I would argue—least understood words in the lexicon. It is oversold, it is always in danger of being misidentified as simply a synonym for good. You remember the '80s, right, with entrepreneurship being en vogue, nobody wanted to be lobbying to become a bureaucrat, right, so entrepreneurship was kind of a synonym for all the cool stuff, and innovation, in a way, is in jeopardy of the same kind of fate. And innovation is also a very complex field, where to over-simplify it is really to wind up with very little.

We have a colleague from Google here. A couple of months ago, I Googled the word, "innovation," just to see what would happen, and over the last 12 months how many hits for the word, "innovation," would you think came back from the search findings? Twelve months, the word, "innovation." Any guesses? Three-hundred million? Okay. So the answer at that time was 2.65 billion. Which is the good news and the bad news. The good news is people think it is important. The bad news is, it is used so often as a term that it is in jeopardy of fading into insignificance, and yet, we need innovation. At the global civil society level, we are, as one pundit put it, "Problem rich and solutions poor," and never, I think, despite all of the innovation in innovation itself, never has the capability to address our needs been so dwarfed by the size of the needs themselves, right?

And then we look at you guys, okay? So here you are, I almost think this is a dramatic story along the lines of what Thomas Kuhn wrote about in, "The Structure of Scientific

Revolutions," where, just to encapsulate it, old paradigm, new thinking, new thinking not appreciated by the mainstream, "Mr. Galileo, we are going to burn you at the stake if you persist in this kind of earth around the sun nonsense," this confirming evidence piles up, and then at a certain point there is a tipping, right? Way before Malcolm Gladwell, Thomas Kuhn talked about tipping, and then there is a new paradigm.

I think this community is working towards a new paradigm, and part of the symptomatology of working up to a new paradigm is that the words don't work that well anymore, so wellness, health, well-being, spa, you know, all of these things require explanation, and in fact you could argue that one of the core tasks of this community is not just to figure out what these words mean, but in a sense actually to re-language what you are offering around a new kind of conceptual framework. Because I see the healthcare field or the sickness field, and the spa and wellness community, and there is a kind of a very Grecian drama that is playing itself out here, that is part of paradigm shifts, is that things are up for grabs.

So, innovation, I think, is more relevant to this community than ever before, and I am going to be very interested to see how it all plays out over the coming decade or two, and hopefully how it settles into a new kind of state of affairs.

So my value proposition to you today is to share some of my eclectic experience about the field of innovation and the related areas of creativity, imagination, etc., and to try to frame, I think, some of the deeper discussions of how you can link innovation to the issues that you are dealing with. I could do this talk in a lot of different ways, I could do it in a more kind of HBS way, as we like to say in the faculty, there is no BS like HBS, but I am going to do it a little bit differently, and I am actually going to do it through the medium of music, which was my first career goal, back when I was about six or seven years old. I was under this delusion somehow that I would become a concert pianist, and nobody kind of told me that there are only about 40 people in the world that actually make a full-time living as concert pianists and everybody else teaches and consults to piano companies and things like that.

But around the age of 12 or so, I discovered jazz, and jazz was kind of a nuclear bomb on my head, because for the first time I realized that you didn't have to just play the notes as they were written by some very creative person like Chopin or Beethoven, you could actually create new notes yourself.

And the more I have thought about this—and this is the cover of a book that I wrote in '96, which was basically around this theme of what can innovators and leaders from the spa and wellness sector—you learn from jazz musicians, and I am here to kind of provide some newer thinking about that, because I think it is a pretty nice way of framing what innovation is, and how it works. Anyway, we will see how that all plays out over the course of the next hour or so. So that is our agenda, alright? I think that is all I want to say by way of introduction, except I guess one more thing.

So what you see out there in terms of knowledge about innovation is often very much about what I call the hand-waving, yes it is important, blah blah blah. Really, the bottom line for this community is how are you going to do it? If you have your eyes up on the moon, how are you going to put feet under that journey to actually get to a desired outcome? And, "how to," is really an obscure thing to most people, even if they are passionate about innovation. This "how to" is not a problem that jazz musicians have, right? Which is why again I have come to really respect it as a metaphor and more than a metaphor, really a body of knowledge, that can inform all of us, even if we are not jazz musicians, as to how to make it work.

Okay, so this is a piece of sheet music. Okay? How many of you do music of one kind or another? Instruments? Sing? So quite a few of you, more than an average business audience, whatever that means, but about 25 percent or so. So you know what I will explain to the other folks here, which is that the black round things are notes, and they kind of tell you what keys to play on the piano or other instrument, and then in a typical piece of music there are also dynamic markings, so Chopin will say, "Get louder, get softer," mezzo forte, meaning loud but not too loud, Chopin might give you the mood, "Agitato," so it is not a relaxed piece, and the piece de resistance of sheet music is where there are these little asterisks underneath each line of music, and this abbreviation, ped., which stands for pedal, which means, "Okay, Mr. Piano Player or Ms. Piano Player, time to put your

foot down on the pedal, time to take it off." Right? So you get my point. The sheet music, in the literal sense, allows for no creativity and innovation. You basically play it the way the creative composer cooked it up, but your job is not to play new notes, right?

So, just to drive this point home, if I go to the music store and I buy this chart for, "All The Things You Are," which, judging by the age and demographics here, some of you will recognize as a standard from the Great American Songbook, Jerome Kern. Okay, I am going to play it now. Ready?

[plays piano]

Pretty boring, huh? Pretty terrible. But that is really all the sheet music allows me to do. And some of you might have liked it, so I will be happy to play it again for you. I will even change the expression, you know, and the phrasing.

[plays piano]

Anyway, you get the point. So the job of the jazz musician is basically to take the framework of the song and go somewhere new, right?

[plays piano]

Anyway, it sounds a little better, there are some harmonies there, I couldn't necessarily replicate that to save my life or for any amount of money, but it is kind of like sweetening up the tune. But now I am going to do a little experiment with you. I have never done this before, actually, but you know, that Imagine piece was only made possible because computer software to arrange for collaboration in music is now very sophisticated so you can have global performances where people add in, and what I am going to do now is I brought some robot side men, and I am going to illustrate what it is like to improvise. So, you remember this melody?

[plays piano]

Let's see what happens, robots.

[music starts, plays piano]

[applause]

So, you know, I couldn't tell you where those notes came from. The less I think, the better the music sounds, so if I

am here saying, "Eminent audience, global, 40 countries, very successful, other thought leaders," you know, I am toast. That is it, right? So I have got to find a place where the music, in a sense, kind of plays itself. Which is not to say I am here to play any old notes, right? So there is imagination and there is discipline.

So if I were to pick somebody from the audience here, this is not audience participation, but let's say I pick this lady here with the purple Macintosh, and I said—Okay, we have got a project now, the project is that this afternoon at 5:00, after the little breakout sessions, you are going to give a jazz piano concert, and I am going to coach you, I am going to do all the things that great managers do, okay? So I am going to encourage you, I am going to make you believe you can succeed, I am going to create a culture of innovation around you, I am going to give you a sheet of paper with all of the things written out so you know what fingers to put on the keys, and I am going to let you use this great Yamaha piano, I am going to do publicity, everybody is going to come, they are going to cheer for you, okay? What is my point? My point is, unless you have been practicing in secret for 10 years, you won't be able to do it, right?

So, when you think about managing innovation and you think about what the rhetoric is around managing innovation, a lot of it is what I just said: encouragement, believe in positive outcomes, culture, values, communication, context, good equipment, it is all important stuff, but it doesn't get at the core, which is actually doing it, practicing, doing it.

I had a very interesting experience about two months ago. Yamaha just made me their first artist in innovation, whatever that means, but it gets me to work with musicians that are a lot better than me, and one guy, Mike Garson, who was David Bowie's keyboard player, Nine Inch Nails, Smashing Pumpkins, he said, "Well, let me hear you play." And I said, "Okay, I'll play for you." And then he said, "Well, I can make your playing twice as good in two months." I said, "Wow, that sounds pretty good. What is the recommendation?" He said, "It is really easy. I want you to take a tune that you are working on, and I want you to play it 100 times a day. Without stopping, in time. So you can't pause and take a break, you have to play it with the metronome or with a backing track, 100 times." I said, "Wow, that sounds pretty challenging. What else?" And he said, "No, no, you don't

understand. That is it." And this is actually paraphrasing what Thelonious Monk said to a young jazz player many years ago, which was to play it 300 times, back in the days when they had more time. What am I saying here? I am saying that practice is key. Right? In his recommendation, what he was saying was, "Don't theorize, don't read about the principles of harmony, just do it, play it, over and over and over and over and over again, and things will emerge."

Now, I ask you: How do you practice innovation in your organization? How do you practice it personally? Is there something that you do 100 times a day that allows you to get better and better and better and better, so you sound really good? This is the question. How do you do it? What are the focal skills?

Most organizations have this totally ethereal and abstract idea of what innovation is, and then they say, "Okay, we checked off the box, we are done, and we will come back to it in a year." Well, that is not how it works. I have to say, sad as it may sound, most innovation efforts in organizations and countries fail, or they don't achieve their full potential, because it is actually very hard to do. Which is why we need inspiration from jazz musicians. We need all the help we can get, in a nutshell.

Now, you may be thinking, "Yeah, yeah, it is kind of an interesting concept, music, blah blah blah, what does it have to do with me and my skills?" The thing that I want to say to you, early on in the talk, is that you are actually all very good at improvising, you just don't maybe know it. And so I am going to prove it to you with a little exercise. We are in Aspen, it is kind of relaxed, this is a little bit of a different format. So, here is what we are going to do, it is just going to be for two and a half minutes. You need to find a partner, which shouldn't be too hard, left or right, one person, and when I say, "Go," you decide who is going to go first, you can flip a coin. The first person will begin to tell a story, and after 20 seconds, I will say switch, and the second person will pick up the story and continue it, and I will say switch again, the first person will say the story, and I will do that a couple of times, and then we will stop.

And I am going to kind of lay out the initial scenario of the story, which I won't say just yet, because I want to make sure that you understand the instructions, which are very

complicated. Is that pretty clear in terms of what we are here to do? Okay, so pick a partner, and I am trying to prove here that—okay, I am trying to prove here that you are really good improvisers, you actually know a lot more about improvisation than you think you do.

Okay, so listen up, because we are on a brisk schedule here, here is the scenario. The Global Spa and Wellness Summit convened in Aspen 2012, where they were sitting in this lovely auditorium, the sky was very sunny, when all of the sudden, an enormous crashing sound was heard immediately outside the auditorium, along with a huge flash of light that flooded the room. On your mark, get set, go. Okay, switch. Okay, switch. Okay, switch. Okay, switch. And last switch. Okay, and stop.

[applause]

So you guys are really good improvisers. Did you know where the story was going to go, three minutes in the future? How about three seconds in the future? Could you predict what words were going to come out of your mouth, let alone your partner's mouth? But there were some things that were obviously going on that raised the energy level and made the story seem like fun, I mean, I saw a lot of smiling faces, most of you seemed pretty happy about it, right? So it was a conversation, and the conversation was about body language, it was about energy, it was about facial expressions, it was about cueing, it was about affirming what the other person said, maybe even non-verbally, building, so listening, two years, speaking, one mouth, you know, kind of really getting into a groove, and that is what jazz musicians do up on stage. Even an individual solo jazz musician will be conducting a conversation with themselves. Bill Evans, the famous immortal jazz God of the keyboard, is famous for several albums called, "Conversations with Myself," where he played one track, then he played on top, and then in some cases, played a third track as well. So there is always kind of an "other," a dialogue that goes on, and human beings are really good at improvisation, because we know about conversation, but now the question is, what does that really mean? What are you good at, really? What have we just demonstrated that you are really good at?

This is kind of the didactic slide, and the blue is a little hard to read, I will just kind of lay this out. I am giving

you now the Rosetta Stone, my opinion about the Rosetta Stone for the definitions that are in play at this meeting. Okay?

So for me, creativity is this kind of almost divine, inexplicable gift, that every human being has, to create new things. Everybody has it. We can't help it. It is the way we are wired as human beings. Einstein said he got his best ideas in the shower, people daydream, people dream at night, nobody is daydreaming here, but you know what I mean? I mean, ideas pop up. It is how we are wired. But, it doesn't mean those ideas are any good, it just means that we have them.

And by the way, so imagination, in my view—you don't have to accept this, but this is how I look at it, is a subset of creativity, in the sense that it is the skill of being able to have a vision or a sensory experience without using your senses, so in the literal sense, and you can look it up in the dictionary, it is knowledge that you have, or can have, but you don't know how you have it, because it wasn't your eyes, ears, fingers, skin, that told you it was there, it was your ability to generate a vision from within. That is what imagination is, right? Which is why we need it, desperately, because that is where the biggest shortage is, but in my view, we also need to be able to look at the ground as well as at the moon, right? Because it is complex. That is where we get to innovation, right?

So innovation, the dictionary defines it as creativity applied to some purpose to realize value. It has to be valuable for somebody. So, here is the deal. I have got a can of red paint, I spray it all over the floor here, I miss all the people in the second row, and the Institute is going to freak out and they are going to present me with a bill for the cleanup. So it is a value destruction act. But, if my name is Jackson Pollock, and I am suspended from the ceiling by a bungee cord, and I swing over these front seats and spray all the people and all the seats, the Aspen Institute is going to pay me 20 million dollars to cut out these chairs and hang them on the wall. Right? So there is the value test, right?

For jazz musicians, the value test is, "Are people going to stay in their seats, are they going to buy tickets, are they going to buy the CD?" And by the way—innovation is not invention. People often get confused about that, as well.

Thomas Edison, when he invented the first light bulb, was an inventor. He invented it, he was an inventor. That is kind of a tautology. When he started selling zillions of light bulbs through the Edison Electric Company, he was an innovator, because innovation is about changing the way things are done, it is about changing the existing order, it is not just having the rock star idea.

I talk to a lot of government people, and they say, "Oh, yeah, we are doing innovation because we went from 0.25 percent to 0.27 percent of GDP for basic science and research," and that is all great, but what about innovation? Right? Innovation is where it hits the market, it hits people's lives.

Now, the final embellishment is I thought that was a pretty good definition, the dictionary one, until I started working with countries, and countries are not in the business to create new products and services that they can sell at a profit or to realize scale effects, to become big, to give out executive bonuses and have EPS growth. Societies are in the business of providing for the collective welfare, innovating public services, pursuing the human adventure, etc., etc., so this whole notion of innovation as purpose is something that I am a very firm believer in.

You can do an innovation capability building exercise, which is about getting a bunch of new stuff, but if there is no purpose, it is as if there is no north star that aligns all of the effort, so you get change and variety, but you don't get transformation. You are interested in getting transformation in your business, wherever it might take you. You are in this conversation, you don't know where it is going, let's not say three minutes, but let's say three decades from now, but it is a useful conversation to be in.

So, my definition is innovation is a set of capabilities that enables the continuous realization of a desired future. So, what is a capability? A capability is something you have to practice to get. You have to do it a lot, and once you do it a lot, and you have it, it is hard to lose. It is not the same thing as a CEO saying, "Hey, we are going to have an innovation campaign, we are going to listen to our people, where do we do the branding thing to internally market this, and I read this article in HBR and whatnot," that kind of lasts not very long, it is kind of the surface layer. So it

is the capability building, it is the ten years of piano practice, that is the capability building. Right? And it is about the future you want. Right? And that becomes kind of the north star that orients all of those innovation activities.

Now, Philippe kind of alluded to the wicked problems notion, this is a very important topic, because most of the problems that are worth working on, which we have to work on, are—according to the literature—wicked, not tame. Wicked means complex, multi-stake holder, hard to define, hard to measure, impossible to evaluate, except in hindsight, filled with controversy, difficult to manage. Sound familiar? Climate change? Security? Health? Right? The future of the spa and wellness industry is a wicked problem, not in a pejorative, "wicked bad," but just wicked as in complex. All the ways that we have learned about problem solving, OJT or in school, have been about doing the analysis to solve tame problems. Sort of like the, "I need a new car." "Well, how do you know?" "My car is on fire." Okay, so I have a problem. What is my budget? This. I am going to go look for cars to test drive, I am going to narrow it down and make a decision. Buy this one, it is Miller time. I have closure. That is not how it works with wicked problems.

Wicked problems require sustained, creative, innovation-oriented processes, where all the stakeholders in the problem are in the same room, metaphorically, whether it is a deep dive event, convocation like this, some kind of a process, right?

So this is where innovation really, really becomes important, because it is a methodology, for dealing with a certain class of problems that we are otherwise somewhat helpless to deal with. Steve Jobs famously said, a couple of recessions ago, "We have no choice, we have to innovate our way out of here." All of this of course begs the question of, "How do you do it?"

Alright, so let's keep going. So, it is complicated also because it is multidimensional. Steve Jobs was a very innovative person, this is the software team, very innovative team, Apple an innovative company, and Apple born in a very innovative part of the world, San Francisco Bay area. What have I just done? I have required that you know about psychology, leadership behavior, interpersonal behavior,

organizational behavior, politics, economics, social theory, culture, a lot of different levels. Right? I mean, think about the narratives that you are accustomed to hearing around innovation, I mean are they that complex? Arguably not. So there is a lot of knowledge that needs to come to play.

Okay, now we are going to get to the lessons from jazz, okay? This is going to be good. So, the first point about jazz is that jazz musicians are really good at you might say integrating discontinuities and I chose that heading because it sounds like a paradox, and it kind of is.

So, discontinuities in music would be where you are playing something in the key of C-

[plays piano]

We are very familiar with these chords. Right? So we are in a certain key, right? But Beethoven was really famous for playing in C-and then he would go-

[plays piano]

And that is modulation. Modulation is the ability to assert a totally new tonality that doesn't fit. It doesn't quite fit, but it takes us somewhere new.

Anton Webern, who is a very far out Viennese avant-garde composer of 100 years ago, said in defining what is called modulation in the music area, this immortal quote-"I go out into the hall to knock in a nail. On my way there, I decide I would rather go out. I obey the impulse, get into a train, come to a railway station, go on traveling, and finally end up in America. That is modulation."

So, think about that just as a metaphor in a sense, are you comfortable with that kind of discontinuous leap into something new? The theories of innovation suggest that there is a spectrum. At one end there is incremental innovation, which is better, faster, cheaper, deal with what you know, and make it better, and at the other extreme, it is disruptive innovation, which is game changing, shift the nature of the game entirely type of innovation. Jazz musicians are really comfortable with this whole process of modulation, of going somewhere new. So that is kind of the opening bid for about seven cardinal skills of what jazz

musicians have, which I think are relevant in terms of a broader consideration of innovation.

The next skill is creating context, so Charlie Parker was a very eminent jazz musician who invented bebop. So how did that happen? Well, he announced one day that he was going to go to the woodshed behind his house, where he stayed for over a year, alone, every day, practicing, and he came back and he had this new kind of music. So he didn't want any external input, whether positive or negative. He just wanted to be left alone.

And so the equivalent of the woodshed in corporate life is the skunk works, or the spinout, it is how IBM started the ThinkPad division, this guy, Phil Estredge, they said, "Come on in, you are an IBM guy, but now you are a ThinkPad guy, here is a budget, here is \$50 million dollars, get out of here." And he moved to Florida and set up this entry systems division, blah blah blah.

So this idea of context, I think is really important in jazz. If you were to talk to a 20-year-old jazz musician, and you said, "Well, how about that woodshed?" They would know exactly what you meant, because this tradition of being able to be in a place that is free of preconceptions, that allows the inner voice to emerge, and it is quiet, sounds like a spa, doesn't it? In a way? Okay? I mean, are spas about creativity? I think so, maybe.

So, how does that work then, in the real world? Well, this is Bell Labs. Bell Labs, for its time, was a great woodshed, right? We don't have it anymore, but this is the infinite corridor of MIT, this is literally what they call the infinite corridor, and what was that about? That was about being able to walk down one hallway and see everybody and to be able to interact in a spontaneous and unplanned kind of way, so collaboration also works in a woodshed kind of environment where you don't want interference, you don't want judgment, but it requires trust, so this is where culture does begin to become very important.

Now, how do jazz musicians learn? Well, I went through this drama. I have only been doing jazz for about three years now, and the first thing that I did was I went out and I bought all these theory books, and I read them. Very, very

useless. It would tell me, "If you play this diminished scale, it goes well with certain chords."

[plays piano]

Formulaic, right? So what made it work for me was going to the Stanford Adult Jazz Residency Program, which is full-time for a week. I was in a master class with three well-known jazz musicians and two other students. One was 19, and one was 17, and fortunately the 17-year-old was not as good as me, so I could feel like I was in the middle, the 19-year-old blew me off the stage every time we got together. That is how jazz musicians learn. That is what this slide is about.

Minton's Jazz Club, in New York, in the 40s and 50s, was the place where jazz musicians showed up after the show to do the after hours jam sessions. These were not fun sessions. They were nicknamed cutting sessions, as in, cut your head off. Cut you off at the knees. Right? Because if I am good, and you are up here playing, and I get up on stage and I am a lot better, I blow you off the stage. These were cutting sessions.

Charlie Parker, the God of alto sax and bebop, I don't know how many of you have seen the movie, "Bird," by Clint Eastwood, but opens with a shot of a cymbal flying through the air, well, it is a famous jazz story about how Charlie Parker, the God of bebop shows up in the early days, at a jam session, they hate his sound, and the drummer takes the cymbal off the stand and throws it at him, and he is humiliated, and he runs out, and then he probably goes to the woodshed and invents bebop, right? So there is a bit of this kind of conflict/collaboration tension that leads to learning, in a jazz environment, but you think about how, for instance, learning to be a better entrepreneur or innovator works, having taught at a pretty good business school for a while, I can be a character reference for that methodology. Does it work because somebody stands up and tells you what the 10 rules of starting a company are? No. It happens because you do the work, you do the practice, what does that mean in terms of pedagogy and experience? Well, first of all, it is an attitude.

Mulgrew Miller, a very famous jazz pianist said, "How do they learn? They learn by being on the bandstand and getting their butts kicked, and being embarrassed and going home and

just trying to figure it all out." Right? So battle of the bands. There are bands in business as well as bands in music. The old days, the white paper, white collar factory was not much of a band kind of environment, but you look at the sort of edgy frontiers of entrepreneurship pedagogy, start up pedagogy, lean start up, hack a thons, all these kind of weekend start up clinics, it is all about Minton's, it is all about people getting up on stage and giving it their best and getting blown off the stage, pure learning. It is about what, if you wanted to get intellectual about it, it is called in the trade, a "community of practice," type of phenomenon, where people get together, of different levels of attainment, and start learning from each other, which, by the way, would have a lot to offer us in terms of how we might redesign certain aspects of public education, there is not this kind of studio charrettes kind of culture in public education, yet, but perhaps there should be.

Okay, now the other part of the team dynamics area is that bands typically succeed when they have got different kinds of people, so I am sure some of you recognize this team, this band, right? So, why did Star Trek become the second most popular TV show in history I would argue that it was because they showed a high performance team, innovating their way out of some colossal challenge, in 51 minutes, to allow for commercial breaks. Right? That is what it really was about, so what is this team about? Well, you have got Spock, kind of the analytical thinking type. You have got Lieutenant Uhura who is the sensation type, details, star fleet calling in on Channel 671.5B, not C. You have Dr. McCoy, who is the feelings guy, the values guy, "How do you feel?" "We can't do that," and all that kind of stuff. And then you have got Kirk, who is supposed to be the guy that helps everyone to go boldly—boldly go where no man or woman has gone before. Right? So this is the team. And many of you will recognize the Myers-Briggs, right? Sensation, Intuition, Thinking, Feeling—you can't do jazz and you can't do innovation without every one of these skills being represented. Sometimes they are represented in one person who is facile in every area, sometimes you have got to put together a team, like this, which is kind of the quartet.

The reason this is particularly interesting is around our imagination topic, right? Because imagination is really Kirk, right? Imagination is conditioned by values, because

we have got the doctor. Right? But if we want to get stuff done, so remember, innovation is the capability of continuously realizing a desired future, it is about creating value based on a sense of purpose. You have got to have everything, and in jazz, right—so jazz would sound like crap, if it didn't have some skeletal structure, some rules of harmony, which is fundamentally analytical. It wouldn't sound good unless you had finger mechanics. I practiced these weird Hungarian finger exercises for about 30 years. Someday I will get competent at them, but how your fingers touch the keys is a physical sensory process, it has nothing to do with the imagination, it is brute mechanics. But then you have feelings, what is artistically important, what sounds good? Right? This sounds good, that didn't sound so good, etc., and then you have got intuition—where we could go, how do we find the edge? And it is only when all of these things come together in jazz, or in innovation, or in a start up, it is looking at the moon, and looking at your feet, and figuring out how to do that balance, that is really, I think, at the heart of the kind of chamber music level of innovation.

Now, what that means is that you have to think differently about how you manage, because it is not about rules in the sense of algorithms. I got this email recently, I was in Moscow about six weeks ago, and this scientist sent me an almost incomprehensible email that said, "We would like to know whether you think that over 73 percent of the time an investment in a culture of innovation is a good thing," and clearly somebody who spent too much time in an engineering culture, right? So I tried to be very nice and so on, but basically, jazz musicians talk about finding the sweet spot, the sweet spot is always a negotiation. It is this place where the music sounds good, that is the balance between paradoxical opposites, so you know, what are those paradoxical opposites? Well, it could be—what is edge, what is core, what is structure, and what is freedom? What is the rules and what is breaking the rules? What is the expert versus the people? Or in the case of what I said earlier, it could be planning versus having no intention, because really jazz sounds better when there is nothing going on inside your head, so just to illustrate this, a lot of people have a strange and mistaken idea about jazz, just like they do about innovation, which means that it is playing—doing whatever you

want, or playing whatever you want, and this is what playing whatever you want sounds like.

[plays piano]

So you know, unless you are a fan of really weird music, you are not going to buy that CD. So this whole notion that you have got to have a "there" there, is very important. You have basically, at the risk of getting a little theoretical—remember, I did these chords for you?

[plays piano]

That is the fundamental bone structure of Western harmony. Alright? This cadence—

[plays piano]

—is so perfect that it is called the Amen Cadence, because somebody of a divine origin probably figured out that that was how things resolve. There is a famous story about Beethoven, where he is composing like crazy, and he is in C.

[plays piano]

Then he goes to bed. And about an hour later, he comes down and he goes—

[plays piano]

So he could get to sleep. Right? So this is wired into the way we understand music, it is classical music, but it is also—

[plays piano]

The blues is the same thing.

[plays piano]

Same chords. But, if your tastes were into rockabilly—

[plays piano]

Same stuff, right? So you violate those rules at your peril. If you go—

[plays piano]

You are back to modulation. It doesn't sound good. So there is always this kind of tension between structure and freedom.

So jazz is not the absence of structure, jazz is discipline plus imagination, equals jazz. Innovation is discipline plus imagination, equals innovation. I mean, that is how I look at it, in any event. I hope that is helpful.

Now, jazz musicians know about taking risks. This is one of the negotiations, right? You have to take a reasonable amount of risk. No risk, no reward. So here is the best kind of short little video on risk ever.

[video presentation]

"I missed more than 9,000 shots in my career. I have lost almost 300 games. Twenty-six times, I have been trusted to take the game winning shot, and missed. I have failed over and over and over again in my life. And that is why I succeed."

Alright, you get the point. So I am going to take a risk now and I am just going to demonstrate this for you. I am going to play a piece that I have only been working on for a few days, really. And if anybody can guess what the name of the tune is, there is a special prize for them. So I will just do it, you know, what the heck.

[plays piano]

[applause]

So clearly I had no idea where that one was going to go, but it is a lovely little tune, I don't know it very well, so I took a risk. I don't know if you could hear it but there were a couple of wrong notes, and I sort of thought, "Aw, that's unfortunate," but you know, it is what it is, and jazz musicians know how to go with the offer, so if the offer is the note isn't exactly the note, you go with it.

Miles Davis famously said, "There are no mistakes." What he didn't mean was, "You can be free to be an idiot." What he meant was that within the discipline of improvisation, mistakes are things that you roll with, they are not things that you recoil from, they are not things that you avoid, they are things that are inevitability. It is just like Michael Jordan, "I missed 9,000 shots in my career." I have missed probably a whole lot more than 9,000 notes.

So I think we will skip that. I will just talk a little bit about the global theme, okay? We have 40 countries here, and

jazz, the history of jazz is really interesting. It starts in New Orleans a hundred years ago, it is American, it is the American soundtrack for getting out of the depression and the second world war, the rise of consumer culture in the 50s, then we kind of forget about it because the British invasion and all these other things happen, but jazz is still very much alive, but the thing is that jazz has become distributed globally, and that is the same thing with innovation.

So as kind of like a globalization/innovation guy, I did this map a while back where the size of the countries is proportional to their innovation capabilities. And there are three points to be made, one is that America is big, but not the dominant force. I mean, it is still number one, but it is not the unipolar American innovation world. The second point is there are a lot of countries in the game. I have got 45 countries in this NGO I started, right? I mean, 45 countries that think enough of it that they invest big bucks in trying to accomplish a public innovation agenda, and it is, believe me—the good, the bad, and the ugly.

And then the other point is that little countries, like Denmark, Finland, Chile, can be big in the innovation game. So, the world is looking for ways, in a sense, to become this global brand, this notion of business improvisation, of linking up great jazz musicians and having the whole world become like a Minton's of innovation, is a reality. I mean, I see this every day.

Of course, H.G. Wells kind of prophesied this way back, 1938, he writes this book called, "The World Brain," which prophesies Wikipedia and the Internet, many other things, amazing, right? We are kind of catching up to him, and so here are the jazz clubs of the innovation world. This is the Singapore Biopolis, Singapore is a country with the population the size of greater Chicago, no natural resources, vying to be a global power in the life sciences area.

This is the Skolkovo Foundation outside of Moscow, they are investing a zillion billion dollars in replicating Silicon Valley in a centralized facility right outside of the city of Moscow, which we could debate as to whether it is a good idea or not, but it is an interesting idea.

Anybody know what this is? Apple Headquarters to be built, not one piece of curved glass, 12,000 people, very green.

Jazz club, right? Infinite corridor. The current headquarters is on Infinite Loop Drive, so it is not a surprise, in a sense, that it would be in a circle.

So, these are the jazz clubs of today and tomorrow. And, I am almost done, but I wanted to give you guys a bonus round, because although it was not in my mandate to really kind of think about specifics, as much as to set the frame, on that bouncy flight over, some specifics occurred to me, especially because I was afraid for my life, so here are three things that I think this community should consider doing, and these relate to the three core questions that I always ask people when they say they are interested in doing something about innovation, which is: What is it—i.e., how do you define it and what is the big idea? How do you talk about it? And how do you do it?

So point number one, I think, how are you going to create alignment around core concepts and definitions where there is so much mush right now, in a way that will create useful boundaries and define the competitive landscape better? So that is kind of front of the queue.

Second, how are you going to generate and assert, market, a new narrative, a new story around mainstream versus complementarity in medicine, wellness versus medical, spinach versus ice cream might be one way of talking about it, right?

Third, how do you do it? So how are you, as a community, going to create an industry capability for looking into the future—strategic foresight, doing experiments, and coming up with big ideas? Because if you don't do it, nobody else is going to do it, right? But that is practice, remember the notion of, "What is the practice," how are you going to do it?

Then I have got a few other ideas, these are more like provocations, and I am sure a lot of these you have already thought about, but I don't think you have finished thinking about them, and if I were you, I would be thinking about putting a tiger team behind each one of these topics for the next two or three years, because these are big questions. How do you turn the spa experience inside out? This is creative brainstorming 101, turn it inside out, turn it upside down, make it bigger, make it smaller. Well, okay, this applies to you. How do you get a spa on your desk? Spa

in your car? Spa in your home? Spa in a box, right? That is the inside-out piece. How do you make the spa experience sustainable rather than event-driven? I don't mean just sustainable-green, but sustainable over time? How do you productize the service in a way that goes beyond, "I got the little bag of samples," you know? What is the productization of the service that creates, in turn, the sustainability?

How do you propose to make the transition from pampering to meaning? That is a big one, I think. I think people come to spas because they are on a personal journey, an archetypal journey, we actually have a fellow Jung aficionado in the room here, so how do you support that? You can't support that by giving them a buffet and saying, "Well, do whatever feels right to you," because they don't necessarily have a point of view, and everybody is different, everybody is on a different journey, but if the experience is to be profound and meaningful, what is that going to look like? How do you turn the spa experience upside down? What is the spa experience for inner city kids? I don't know, but it is an interesting question. Is it only about the one percent? Are you about the one percent? What about the 99 percent? What could you do? I am not sure, but interesting question.

How do you address the question in challenge of supporting longevity? There are these kind of almost cultish, clinics where you go in and you get—especially in the U.S., where you can get your injectables and your prescription around supplements, and your this, that, and the other thing, and it doesn't all hang together. There is no kind of unified Field theory about how to bake longevity into your lifestyle. Aren't you the people to kind of assert some standards in that area?

And then there is many other demographics, there is how to make the spa experience relevant to kids, and across cultures, there are tons of stuff to do, okay? So these are a few kind of offerings to you, in terms of food for thought, I am sure you have thought about a lot of it. To get there, you are going to have to do this, and this is my last point.

The Zen Buddhists have this really great concept called Tso-Chan, which means, "Empty Mind," or "Beginner's Mind," and it works like this. Basically the Zen Buddhists say, in the mind of the expert, there are many opinions. In the mind of

the beginner, there are few opinions, and therefore, all new knowledge begins with Beginner's Mind.

So you are a very expert audience, and you have brought people in who are experts, but how do you get to the point of being a beginner? That is what happens at the piano every time I sit down. If I am thinking too much or I am presuming on past experience, it is not going to sound good. If I am at the point where I sit down, and I am not thinking about anything, and I am not thinking about you, particularly, although I am really happy to be here, and I just—

[plays piano]

[applause]

Thank you. See you somewhere over the rainbow, and thanks for listening. Thank you.

[END 305729 GSWS Monday John Kao.MP3]