



Stanford eCorner

Catholic or Buddhist Approach

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To understand the difference between paths to scale, Stanford Professor Bob Sutton shares a provocative comparison between the growth of Catholicism versus Buddhism. Sutton, co-author of *Scaling Up Excellence*, also urges organizations to avoid the "replication trap" that occurs when trying to spread the "same thing, same way, everywhere."



Transcript

How many of you've had Michael Doering in the class? Has anybody had Michael Doering in the class? A few people, teaches Launchpad, okay. So we're sitting around so about 2006, early days of the D.school and Michael says so when the D.school as we start expanding are we going to be Catholics or Buddhist. I would note that Michael has a very Catholic background. In fact he likes to point out he was altar boy of the month many times. So he is a very strong Catholic. So he said are we going to be sort of like what happens in the Vatican is it going to be replicated everywhere, so is it going to be like what happens at the D.school in Palo Alto, it's just replicated in every class and everywhere throughout the world or are we going to be Buddhist where we have sort of like a vague mindset and we do sort of local standardization or customization whatever sort of strikes you that's within the sort of vague mindset. Well, this turned out to be quite a brilliant comment because once you start going to the scaling literature, the question of whether we're trying to do the same thing everywhere else in the exact same way or whether we allow local customization is a constant and never ending decision that never goes away at the strategic sort of Kathy Eisenhardt level or even at the most sort of focused individual level. And just to give you some examples you look at In-N-Out Burger incredibly Catholic organization, they're all nearly perfect replicants of one another, Intel much of their - especially they're changing this a little bit now. Their years of success was based on the copy exactly method in manufacturing firms. But there is this risk where if you start thinking that something is so great it will work everywhere, you suffer from what actually education researchers call the replication trap.

And a good example of this is so Home Depot, it's about 2008, they decide that they're going to move to China and what they do is they take the Home Depot store so like we have in East Palo Alto. They open 12 of them in China and they try to sell the Chinese people on the do-it-yourself approach. It's a do-it-for-me sort of culture, and it's a - Tel Wang one of my former students now a Harvard MBA said to me, he's from China, he said if you have enough money to shop at the Home Depot in China, you have enough money to pay somebody to do it for you. And that's also how they think about it. So this didn't work; the last store closed in 2012. In contrast IKEA is just kicking ass in China and one of the reasons they are doing so well is they've done a bunch of local customization probably 80% of the stuff they sell is the same stuff they sell in East Palo Alto. But they've done stuff like they have really great delivery services because many Chinese people don't have cars and the ones that do don't have as bigger cars as Americans do and also they're not into that assembly thing. So it's assumed when you buy that stuff that somebody is going to come to your house and assemble it. Its - so there was some sort of local adaptation, so they kind of did a tilt toward Buddhism, we'd say. And the situation where Buddhism is probably especially valuable, are situations where you kind of know the mindset you need, but you don't know the best solution and you know there is going to be a lot of need for localization.

A good example and yes another one of my medical examples is, in the medical literature it's very well known that when you're a nurse and it's usually a nurse who gives you drugs, when your nurse gets interrupted or distracted they screw up the

medicine they are going to give us. So the whole goal in hospitals and this is by the way if you have a loved one who is getting drugs do - and there is a nurse giving that person drugs do not talk to them or interrupt them. It's good advice. Anyways, so there was a program put on by University of California at San Francisco where what they did was they took a whole bunch of local groups of nurses and they said you figure out how to stop the interruptions in your nursing unit. So here is one, this is actually University of California at San Francisco, you can't see in the picture but she is actually in an enclosed room with drapes, so nobody can see here and she is sorting the medicine. But here is another one, she is using - she has got this do not interrupt thing on. This is actually to the back of her, it's in a neonatal intensive care unit. So I mean she wants to be able to see the babies and you can see sort of the different solutions and here it's always important to remember. So that's a Buddhist approach that worked. In general, you know the question of where to be on the Buddhism Catholicism sort of dimension here is a constantly changing in strategic and tactical choice to emphasize that.

But one of the times when it's most dangerous to have too much Buddhism is when people have this delusion that they are so unique, they are so special that the rules don't apply to them and many of you Stanford students know this when you deal with tenured faculty like me, we think we're so special that the rules shouldn't apply to us. Doctors are just as bad and a great example of when this can be dumb was this was an article in the New Yorker looked at a group, the hospital he was at in Boston that did knee replacements and there was this guy John Wright who was at war with his colleagues for seven or eight years to get them to do more standardization and they fought him with every turn and most of them still don't like him. But look at the numbers, cut costs by 50%, patients leave about a day earlier. So sometimes ramming a little bit of standardization down peoples throat is maybe the best solution for all.