

How Will You Measure Your Life? Summary

By Clayton M. Christensen

What do you see when you look in the mirror, and can you predict what will happen to you in the future?

How Will You Measure Your Life? uses economic theories on causality to give a fresh perspective on creating a meaningful life. It shows how to merge business success and personal talents to positively impact the people around us.

Clayton Christensen was a distinguished professor, researcher, business consultant, author, and public speaker, best known for his theory of "disruptive innovation." Disruptive innovation has been hailed as the "most influential business idea of the early 21st century," by *The Economist* and *The Wall Street Journal*. James Allworth heads up innovation for Cloudflare, and Karen Dillon is a popular keynote speaker, editor, and author.

We'll briefly look at cause and effect, and how to apply this, not only to business, but to our own lives. We'll also analyze how we can use various theoretical frameworks to forge a path to success, that incorporates both our professional and personal lives. In short, we'll seek to answer the question, 'How will you measure your life?'

Theoretically Speaking

What if the theories that we apply to business, organizations, and our careers, can also add insight to our own lives?

Theories aren't anecdotes, and they're not a set of steps that can be applied to gain proficiency. Theories are rigorously tested, and through testing they can be proven and then thrown out into the world to be universally applied and accepted. Our authors explain that causal theories help us understand life. We can use these theories to make necessary changes and pursue the life that we want.

So what are causal theories? These are statements of causality where we ask, 'What causes what, and why?' If we know what causes things to happen, and why these things happen, we have a better hold on predicting outcomes.

Christensen became interested in learning to apply these business theories more broadly, when he gathered at his Harvard Business School reunion. He noticed that at the initial few reunions, most people were highly successful and career-focussed. They spoke about success in terms of their career accolades, promotions, and achievements. However, as the years progressed, many of his former classmates appeared less enthusiastic about their careers, were going through divorces, and many had strained personal relationships. The majority of Christensen's former classmates were disenchanted about their success and what their careers meant to them. What if all of this could be prevented? What if there was a way to apply cause and effect to everyday life?

Usually, when faced with a problem that needs solving, we embrace the squirrel as our spirit animal, and scurry around gathering as much data as

possible. We hoard this data and congratulate ourselves on all the research we've done. The problem is data tells us about things that have happened, and isn't a good predictor of what's likely to happen.

For example, let's take a trip back to the 90s. In the 1990s, Nokia was synonymous with cellphones. If you had a phone in the 90s, it was almost sure to be a Nokia, because they had nearly 50% of the worldwide market share. They relied on the data telling them that they had the highest market share and were selling oodles of product. Nokia took the view that sales would keep on increasing and based strategies on the past instead of the future. In short, they didn't account for the disruptors underneath them who were innovating.

So what theories can we use to make better predictions? And how can we use these theories to think about our decision-making?

Working Towards Happiness

In *So Good They Can't Ignore You*, we learned about career fulfillment, and how passion isn't a good indicator for long-term professional happiness. Whether you agree with this or not, wouldn't it be helpful to have some strategies to help navigate the minefield that is job satisfaction?

When you were young, what were some of the things you wanted to be when you grew up? How different is your current career from what you expected? What were some of the reasons you chose your current job? Did you just accidentally fall into it, or was it a planned process?

No matter what job we're in or how we got there, we can implement strategies to find more fulfillment and happiness. Our authors explain that

creating a strategy is the only way to improve our situation, and that paying close attention to, and revising this strategy is crucial.

It begins with priorities, then comes analyzing opportunities and threats, and then we need to allocate our resources accordingly.

So what are your priorities in life? To help with this, our authors suggest looking at theories of motivation. Regarding motivation, we'll look at incentive theory and two-factor theory.

Dubner and Levitt tackle incentives extensively in their cult classic *Freakonomics*. The theory of incentives argues that people are more likely to do things if they're incentivized. Put simply, if you pay people more, they will work harder. Or, if you align interests with profit, then people will do their best for the company. When you implement KPIs or Key Performance Indexes, the idea is that employees will work harder for these incentives. So why is it that employees so often fail to reach these goals? If money and financial gains are such high motivators, why isn't everyone hyper-motivated?

The same can be seen in children. Parents often incentivize children to get good grades by offering financial rewards. However, just because you're offered an incentive doesn't mean you'll maintain motivation. Studies show that generally, there isn't a significant improvement in overall grades for students who are offered financial incentives.

The other problem with the incentive theory is that it doesn't consider why non-profit organizations exist, and why some people give up high-paying corporate positions. The two-factor theory can help to explain this.

Some things cause dissatisfaction, and these are known as hygiene factors. Hygiene factors include factors such as management, compensation, job security, environment, and policies. If any of these factors don't suit us, we're likely to be unhappy. However, improving any of these conditions won't make us *happier*; it'll make us *less dissatisfied*. So the answer to creating happiness, is to focus on motivators. While we may believe that money is a key motivator, it's actually a hygiene factor. If we want satisfaction and happiness, we need to focus on being challenged, experiencing growth, having a sense of responsibility, and doing meaningful things.

So perhaps there's truth to the saying that money can't buy happiness?

Before we move onto opportunities and challenges, we can look at some key questions to figure out career happiness. Firstly, do you find meaning in your current work, and do you see room for growth? Secondly, do you receive recognition for your work, and are you given responsibilities? These are things that make a job and career fulfilling, and if you focus on these, you'll be inspired to excel. Fancy offices, nice parking spaces, and an end-of-year bonus are perks; they aren't what makes you thrive at work.

Next comes opportunities and challenges. These are unstable and can cause our strategy to shift. Hence, we need to look at ways to deal with opportunities and challenges as they arise. Some theories can help us stay on course or veer off our plan depending on the context. For example, the theory of emergent opportunities looks at anticipated and unanticipated opportunities. Sometimes we structure our goals and strategies around opportunities that we know will present themselves, and other times we have to be on the lookout for opportunities as they arise.

The key is being methodical and open-minded at the same time. For example, if you have a job that fulfills your hygiene and motivational requirements, stick with it. However, if your career isn't fulfilling these needs, you need to be on the lookout for opportunities and make your strategy more flexible and open.

Often we set out with a specific career in mind, and we have a deliberate strategy to get there. Then we might reach a fork in the road where we're offered another career path that we hadn't considered, that fulfills our hygiene and motivational needs. It's okay to switch careers and to change plans. Many people try numerous jobs before they find the one that clicks with them. And remember, instead of making assumptions, test them. Ask yourself what you like about specific jobs and what you don't like about them. Figure out if you'd need any additional training or resources to be good at that position. What level of control would you have, and would the job make you happy and fulfilled? Often we imagine something to be a "dream job" because we make assumptions, so before you leap into something, scrutinize what you're jumping into.

Finally, we need to look at resources. We need to look at our goals and how we can use our resources to achieve them. Our resources are

energy, time, talent, and money. We need to balance and conserve these resources so that we can lead prosperous lives. If we look at time, it's a finite resource, so we need to use it wisely. Often we spend a lot of time nurturing our abilities at the expense of relationships. Likewise, we may put all of our emphasis on making money rather than honing our skills. Our authors advise adopting a long-term approach and not falling prey to focusing on short-term goals. As Christensen learned from his interactions at Harvard reunions, most people looked towards the short-term goal of career success, and then years later had failed marriages and broken families.

Shipping Your Relationships

Our authors explain that many issues faced in our personal lives are the same sorts of problems faced by businesses. Hence, we can apply theories from business to our relationships. The bottom line is that we need to invest in our relationships as much as we do in our careers.

Many people are tempted to focus on their careers early on in life, and then wait until they're older to focus on relationships. They believe that if they cultivate a solid career early on, the payoff of neglecting relationships will be worth it. Unfortunately, this is seldom the case because relationships break down when they're not nurtured. Just because career rewards reveal themselves early on, doesn't mean that they're more important than relationships. Relationships take a lot longer to build.

Careers don't support you as your family and friends do. Often we neglect these relationships and take the support for granted, because we realize too late how important these support networks are. Work so often becomes our identity. How often do you check your work phone when

you're supposed to be on vacation? When businesses fail to invest in their future, they fail. This same logic applies to relationships. If humans fail to invest in our future, we also fail. You need to ask yourself, 'What are my relationships worth?'

It's worth remembering that we shouldn't just invest in relationships when they hit crisis mode. We need to invest in them when they're healthy. The same applies to children. We shouldn't neglect our kids because we're focused on work, believing that we'll be able to cash in when they're older.

Get The Job Done

So often we get caught in the trap of "we tell the customer what they need." Instead, we should be looking at selling them what they tell us they need. Listening to these needs is crucial, and we should apply this logic to our relationships. One of the critical lessons from this book is that we need to focus on other people rather than ourselves.

All too often products are marketed at demographics. But, and here's the thing, we don't actually make purchases based on demographics. We make purchases because of needs. We need to get a job done, so we buy a product or service to cater to this. IKEA is an excellent example of this. They nailed down the job of needing to furnish spaces quickly and conveniently. They also showed how to maximize space while remaining within a budget. Flatpack furniture also means that transport is taken care of because boxes fit into small spaces relatively easily. It's literally a one-stop-shop.

But what's the job that needs to be done? Well, the first steps to

identifying the job involve listening and empathy. We need to assess the needs and wants of others. If we apply this to relationships, we often do the jobs we want to do, rather than the jobs others want us to do. So we should work to understand, rather than to assume. We should also be prepared to not only compromise, but to sacrifice. Every relationship requires sacrifice.

Focus On The Right Stuff

When we talk about the nebulous term, "the right stuff," what exactly is this? According to our authors, it's experience. As we've learned from books such as *The Talent Code* and *Open*, talent isn't a good indicator of success. If we look at experience theory, it explains how people need to be able to handle situations and scenarios.

The lesson here is that in order to get ahead, we need to chase experiences, rather than promotions. Look for opportunities that challenge you and hone skills like overcoming obstacles, dealing with people, and solving unique problems.

When it comes to raising the next generation, we need to encourage them to fail a lot more. Failure is one of the best ways to gain experience, and parents shouldn't try to solve their children's problems.

Understanding consequences and perseverance after experiencing failure are two of life's most important lessons.

The Culture Club

Company culture is one of the most crucial things that we can foster in order to get the best out of people. There's a reason why individuals

flock to work at Google, Adobe, Pixar, and Zoom.

Once again, it doesn't come down to the little perks such as "casual Friday," staff events, and a state-of-the-art coffee machine. This stuff is most often than not, just window dressing. A good company culture is the reason why people want to work hard and give of their best. They have a sense of belief in the company's "why." Simon Sinek talks about this in *Start With Why*. When you understand the company and its bigger purpose, it's a lot easier to invest in it.

A lot of it also comes down to transparency and trust. For example, Netflix has a "no holiday policy." This may sound brutal, but it's just the opposite. The idea is you can take a holiday whenever you like, provided that you meet your targets and get your job done. They also expect everyone to work to a high standard, and if anyone is mediocre or disengaged, they are fired. At the heart of the Netflix model is freedom and responsibility, and allowing people to take ownership rather than being told what to do.

We can apply theories around culture to our own relationships. What are your family values? Once you've pinpointed two or three values, you can use these to drive how you handle conflict situations and difficulties.

In Conclusion

When Clayton Christensen passed away, comments flooded in, and two words provide the common link, humility, and integrity.

Most of us believe that we're moral or ethical and can distinguish between right and wrong. However, this isn't enough. We need to act

with integrity and look at the consequences of big and small decisions.

We need to focus on empathy and examine how our actions and behaviors affect other people. So often we do what's quickest or most straightforward, and fail to look at the long-term effects of our efforts. Marginal thinking is when we don't look at the big picture and analyze the consequences. Hence, we need to adopt full thinking to assess the quality and lasting impact of our decisions.

Look ahead, not behind you. While we can learn from history, we need to adopt a mindset where we apply theories to our actions and look at causality. Don't compromise on your integrity. And if you put other people and your relationships first, you'll have something tangible to measure when you reach the end of your life. You'll be able to figure out whether you've fulfilled your potential and lived with a deep sense of purpose. As Robert Byrne says, 'The purpose of life is a life of purpose.'