



Season 3, Bonus Ep. 1, “Daydream Believer,” May 9, 2023

Erik Dane: In terms of creative idea generation, right? It does help sometimes to step away from a problem and let your mind wander and sort of disconnect from technology and just see where your thoughts happen to take you. And sometimes really valuable or creative ideas tend to bubble up along the way.

Kurt Greenbaum: From Olin Business School at Washington University in St. Louis, I'm Kurt Greenbaum, and this is *On Principle*. As regular listeners know, we recently finished our third season of *On Principle*, and right now, we're hard at work on stories for the next season. But we don't want you to wander too far. So today we're offering a short bonus episode where we revisit a conversation from early in season three. I'm talking with a WashU Olin Business School colleague, a professor and a researcher here, and he focuses on an academic discipline I find just fascinating. We're talking about how difficult and how important it is to keep your mind focused on the here and now. We're talking about why letting your mind wander at work might not be such a bad idea. And we're talking about how some of these softer skills apply in the bang-bang business world that's so often obsessed with hard data. Can you tell us your name and what you do?

Erik Dane: Sure. My name is Erik Dane and I am an associate professor of organizational behavior here in the Olin Business School.

Kurt Greenbaum: And what does that mean? Tell us a little bit about your area of academic focus.

Erik Dane: Sure. Well, what I tell people is that organizational behavior is basically the application of cognitive and social psychology to the workplace. I'd be happy to walk you through a little bit of my research in teaching interests ...

Kurt Greenbaum: Yeah, please, absolutely ...

Erik Dane: ... which might open up some windows into the field a bit. I'm interested in managerial cognition, how managers and workers more generally think and solve problems and make decisions and focus their attention at work. So that puts me squarely in the middle of what's called the study of managerial and organizational cognition, sort of a central area of focus within my field. I think a more intriguing way to put this is that I'm interested in concepts that often strike people as being sort of slippery or even mystical in certain ways.

I've done research looking at the concept of intuition in terms of what these are and when we should put stock in them. I've done a fair amount of research that we might

talk about, looking at the concept of mindfulness and the flip side of that of that same coin mind wandering. And as of late, I've been doing a lot of research on the topic of personal epiphanies. So, self-insights, these sudden realizations we have about ourselves as we travel through life as a whole and as we travel through our careers. And so I'm really interested in the sort of revelations we have into who we are and why that matters from a work standpoint.

Kurt Greenbaum: I want to ask you a question about one of the points you brought up, the idea of gut feeling. As a school, we talk about ourselves as a school that prepares leaders to make values-based, data-driven decisions that almost seems at odds with the idea of gut feeling. And I wonder if you can square that circle for me a little.

Erik Dane: Yeah, I'd be happy to do so. It's such an excellent question, and that's kind of one of the ways I frame that research stream. You know, when should we put stock in our gut feelings versus think more analytically or leverage evidence or leverage algorithmic decision-making? And ironically enough, there is a big body of research or evidence around intuition itself. And a lot of this sort of boils down to variables like expertise, right? So intuition is not something magical. It's pattern matching. And the more advanced somebody is in their field of study or practice, the more likely the patterns that they match will be sophisticated or complex. And these are very informed or advanced intuitions that they're experiencing along the way. In that sense, you know, I can actually make evidence-based statements about when we should actually trust our gut and again, when we should sort of default back to thinking in a much more analytical, rational or data-based fashion.

Kurt Greenbaum: I think you're also saying, if I understand this correctly, that gut feeling or intuition isn't really necessarily at odds with data-driven decision-making ...

Erik Dane: No ...

Kurt Greenbaum: ... it just means it's about what data do I have at the time a decision has to be made, and then what other experience or pattern matching, as you said, can I bring to bear on that?

Erik Dane: Yeah, that's exactly right. And there's a fair amount of interest and research around the question of, how can we combine intuition with analytical thinking or algorithmic thinking? You know, interestingly enough, when you add human judgment into the equation in a regression model, which can kind of predict any number of ... of ... of outcomes, anything from, say, medical diagnosis to hiring decisions, so on and so forth, there can be value in sort of sprinkling intuitions into that formula, right? So we don't want to abandon human judgment altogether, despite the fact that it can well be biased in any number of ways, hence the value of thinking analytically or algorithmically.

Kurt Greenbaum: Is there in your field either work you've done or work that people in your field have done ... are there insights that listeners might be familiar with in terms of the way we understand how business works?

Erik Dane: Sure. At some level, with intuition, we were already just touching on some of those. I think people would be very familiar with the Moneyball case, so to speak, at this point.

Kurt Greenbaum: But for those of you who aren't. Here's a little background. Erik's talking about a fascinating book from 2004 by Michael Lewis that documented a fundamental shift in how Major League Baseball teams build and deploy their rosters. For generations, teams relied on scouts who scoured the country looking for talent, gauging player prospects based on their experience and their observations. *Moneyball* told of the shift to a highly data-driven approach where teams leveraged the mountains of statistics they've amassed over the years. In a 2011 movie by the same name, Brad Pitt played the general manager of the hapless Oakland A's and the epiphany that drove his team to become a winner.

Erik Dane: It's worth noting that a number of Major League Baseball teams still use scouts, right? So there's this sort of interplay between human judgment and model-based decision-making. I think another thing that people might well be familiar with would be the value of mindfulness in today's society and in today's workplace in particular. Over the past one to two decades, we've seen a, you know, research in mindfulness has skyrocketed. I mean, exponential growth in terms of peer review publications. And, you know, at the risk of oversimplifying what this research is telling us is that mindfulness improves our performance and makes us feel better. It enhances well-being in so many different ways.

So I guess just a few caveats or side notes here in this point. When I say mindfulness, I'm talking about, at least the way I would define it, and many of my colleagues, would be focusing attention on the here and now. What's happening in the world around us and what's happening inter-psychically. Paying attention to our, again, our intuitions and our emotions and sensations that are bubbling up in our bodies.

Kurt Greenbaum: Can you kind of relate what you're talking about to examples that you have observed in the course of your work as it relates to the workplace?

Erik Dane: Yeah, sure. I think we could approach that in a few ways. I mean, so one of the empirical studies that I published on this topic, my coauthors and I looked at the restaurant service industry and we actually published one of the first papers that showed a direct link between mindfulness and work performance. And so we were studying restaurant servers. We were able to demonstrate empirically that those who sort of naturally tended to be more focused on the present, people who are high in what we call trait mindfulness or dispositional mindfulness, were actually performing more effectively in the eyes of their supervisors at work. More generally, you can

think about the value of mindfulness across any number of dynamic environments, especially, right? So whether we're talking about athletics, paying attention to what's happening on the court or on the field, whether we're talking about, you know, high-stakes occupations like, you know, the surgeon, you better hope that they're paying attention in every way possible to what's unfolding on that operating table.

Kurt Greenbaum: One hundred percent. I'd better be the most important person in the room for you.

Erik Dane: Yeah, that's right. Yeah. Or they as a team. Right? And so you would hope that at a team level, we're witnessing mindful behavior unfolding. You know, air traffic control, for example. So there's some where the stakes are really, really high. But it's just interesting for us all to think about in the context of our own work, you know, in what ways mindfulness benefits us. And then again, sort of the flip side of this coin, we do know that mind wandering is not without its value as well. For example, in terms of creative idea generation, right? It does help sometimes to step away from a problem and let your mind wander and sort of disconnect from technology and just see where your thoughts happen to take you. And sometimes really valuable or creative ideas tend to bubble up along the way.

Kurt Greenbaum: Well, I think I joked with you when your mind-wandering research came out recently. You know, I sort of identify myself as a writer, fundamentally. One of the things that I'm very fond of saying is writing is 60 percent staring into space.

Erik Dane: Yeah, Yeah. That stayed with me.

Kurt Greenbaum: Validating me there.

Erik Dane: Yeah, indeed. I know. And I thought that was well said. And of course, the mind-wandering research is just ripe for punch lines left and right. Yeah, I forgot what you're talking about there, Erik. I get those kind of comments a lot.

Kurt Greenbaum: You know, again, as a data-driven school, we obviously are preparing students to build financial models and to ... to model ideas about how marketing programs are going to work and analyze data. Is it fair to suggest that some of the, what you're taught we're talking about here are soft skills? And what is the response that students give you as you're as you're introducing these tools?

Erik Dane: Yeah. So I would describe it as an experiential learning course, which is definitely something we emphasize as well in the Olin School. This is a course that I've taught since I developed it several years back. At the time it was 2015, I taught the first iteration. I was on faculty at Rice University in Houston. You know, I was there for over a decade and I've been here at Olin for a couple [of] years now. In any case, yeah, this is a course that does go into the latest state of the science around mindfulness and its applications to the workplace. But I think what the students especially appreciate are the more experiential learning components. So, we do

activities in the classroom, including some meditation-based activities. We do some activities in the classroom rooted around creative thinking and what I would call mindful thinking, getting people to break free from existing categories or distinctions and to think in more novel ways. And then we do some activities out and about on campus. It turns out to be a bit of a revelation for students when I have them, you know, put technology away altogether. And we, you know, we walk around campus sort of individually with an objective in mind, maybe looking for different colors or different styles of buildings or some, you know, some aspects of nature in the world around you.

It sounds straightforward, but again, we don't always take the time to fully take in what's unfolding in the world around us. And when you couple that with the fact that we're so bombarded by digital stimuli, digital distractions, so much of the time. You know, this is a course in which we spend a lot of time talking about how we can sort of successfully manage that interface between humans and technology in ways that are functional rather than, you know, destructive or ... or addictive.

Kurt Greenbaum: Now, just to add a little context here, I originally spoke to Erik for an *On Principle* episode that featured a four-star general in the United States Air Force, Mike Minihan. In that episode, the general shared his story about publicly making a mental health appointment to normalize the experience among the members of his command. That conversation brought to mind for me many of the ideas and concepts I talked with Erik about, some of which didn't make the final cut of that previous episode. Couple of words that we've tossed around in this conversation today. I wonder if you could tease them apart or if there's a Venn diagram that defines them. But you've talked about mindfulness, and you've talked about well-being. Are they the same thing? Are they ... how do you view them, and how do they relate to what we're talking about here today?

Erik Dane: Yeah, well, so mindfulness feeds into well-being, right? And well-being is a broad term. It's sort of a catch-all term. But personally, I prefer that term to a term like happiness, right? We hear so much about happiness. There's just kind of, do a search online. There's dozens and dozens of books on that topic. But happiness is a mood state. You know, it's ... it's an emotional experience and it comes and it and it goes. Whereas well-being or sort of overall life satisfaction, sort of sizing up the state of your life in terms of the state of your ... your mental health on the one hand side of the ledger. But on the other side of the ledger, just thinking about, you know, are you thriving? Are you resilient? You can think about any sort of positive person-level qualities here. These are the types of things that are more global or enduring. So in that sense, I see mindfulness as, it informs or helps to shape well-being. It's certainly not the ... it's not a panacea. It's not the only variable that matters. But I see the two is pretty closely tethered.

Kurt Greenbaum: So as a leader in an ... in an organization, my responsibility is to make sure we're hitting the bottom line. We're making our deadlines, you know, hiring and retaining our employees, thinking strategically about where the

organization should be going. But as a leader, I should also be concerned about the well-being of the people who work for and with me.

Erik Dane: Yeah, that's right. And here, too, you know, it's really important to move beyond just symbolic gestures, right? This needs to be substantive because at the end of the day, organizations are comprised of living, breathing human beings. And so I think aspects like empathy, perspective-taking, humility and just a motivation to make a genuine and deep connection with those with whom we're working are absolutely imperative. And they're imperative not just because they're sort of, you know, aspects of being a professional, but again, because this is a human encounter. You know, I think some people with good reason might be a bit cynical of merely symbolic gestures in this space, right? If the idea is to kind of make people feel better for a day simply to enhance the bottom line, I mean, to me, that's far from the upper echelons of effective leadership.

Kurt Greenbaum: So sort of where I'm going with this is that on the other end of the spectrum, the employee, the team member needs to understand that they can be their authentic selves. That sense of, how well is the organization valuing my well-being, I assume, plays into the feeling that I have of how well I can be who I am.

Erik Dane: Yeah, so that's the connection I had in mind when we were talking before about the sort of interplay between mindfulness and well-being and authenticity, right? I mean, if I'm dealing with some real challenges behind the scenes, I do think it's an authentic expression to share those to the degree that I'm comfortable. And I think that's a really important caveat here. I think when people hear there's this push for authenticity, you know, some people get quite nervous. They say, well, I don't like to share a whole lot about myself. And frankly, that's actually my kind of wiring as well. I try not to make the world all about me. So it's a matter of people's comfort zones, right? There should not be some sort of obligation to share anything and everything.

And by the way, if somebody's authentic self is, they're kind of a jerk, well, that it doesn't necessarily need to be top billing or top priority above sort of decent human interaction, for that matter. But yeah, I mean, the fact is that if people are really dealing with challenging situations, they can have things happening at home, they could be attending to medical situations of their own or with family members say, you would hope that in a workspace there'd be some people that they would fully trust that they could share this with if they're in need of support. So yes, I see this is directly tied to authenticity itself.

Kurt Greenbaum: I think we've sort of touched on throughout the course of this conversation, but I want to maybe give you the chance to distill it. But what is being a supportive leader mean to you in the context of your academic field or the industry experience that you have?

Erik Dane: In many ways, the very points that ... that surfaced during your conversation with ... with the general, I think it's critical to reassure people in every possible way that it's OK for them to ... to be themselves and to empower them to share their own challenges, as we were talking about. I think it's critical to align your words with your actions is as closely as possible. I mean, that's leading by example in here, too. I mean, this was sort of a ... an enlightening case study in doing exactly that. You know, and as I mentioned, I think there's a lot of value in perspective taking and in true empathetic delivery display. I think we need to be committed to put ourselves down in the trenches and experience at least some of the challenges, the stresses, the emotions that are bubbling up with those who report to us. That's the nitty gritty stuff that ultimately, you know, makes all the difference in the realm of being a leader. And, you know, it takes courage.

Kurt Greenbaum: That's all for today's episode of *On Principle*, one of three bonus episodes we're planning while we continue working on the next season. Many thanks to Erik Dane for taking the time to share more about his particularly fascinating area of academic inquiry. And thank you for listening. If you're a new listener, please visit our website at *On Principle* podcast dot com, where you can listen to all our past episodes. We're building up quite a little library of stories about "oh, shoot!" business moments. You can also find links to *On Principle* in your favorite podcasting app, where you can subscribe so you don't miss an episode. If you have any comments, questions or episode ideas, please send an email to Olin podcast at W-U-S-T-L dot E-D-U. That's olinpodcast@wustl.edu.

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