

The Upside *of* Uncertainty

*A Guide to Finding
Possibility in the Unknown*

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HARVARD BUSINESS REVIEW PRESS
BOSTON, MASSACHUSETTS

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Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

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The web addresses referenced in this book were live and correct at the time of the book's publication but may be subject to change.

Library of Congress Cataloging-in-Publication Data

Names: Furr, Nathan R., author. | Furr, Susannah Harmon, author.

Title: The upside of uncertainty : a guide to finding possibility in the unknown / Nathan Furr and Susannah Harmon Furr.

Description: Boston, Massachusetts : Harvard Business School Publishing Corporation, [2022] | Includes index.

Identifiers: LCCN 2021058565 (print) | LCCN 2021058566 (ebook) |

ISBN 9781647823016 (hardcover) | ISBN 9781647823023 (epub)

Subjects: LCSH: Uncertainty—Handbooks, manuals, etc. |

Opportunity—Handbooks, manuals, etc. | Economics—Psychological aspects—Handbooks, manuals, etc. | Success in business—Handbooks, manuals, etc.

Classification: LCC HB615 .F867 2022 (print) | LCC HB615 (ebook) |

DDC 338/.04—dc23/eng/20220202

LC record available at <https://lccn.loc.gov/2021058565>

LC ebook record available at <https://lccn.loc.gov/2021058566>

Cataloging-in-Publication data is forthcoming.

ISBN: 978-1-64782-301-6

eISBN: 978-1-64782-302-3

The paper used in this publication meets the requirements of the American National Standard for Permanence of Paper for Publications and Documents in Libraries and Archives Z39.48-1992.

For all those who have inspired us
on our journey to the upside of uncertainty.
And for you reading this now.

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Preface

What Is the Upside of Uncertainty?

Thank you for being curious about the upside of uncertainty. It's truly the first step to navigating the unknown well, so you're already on your way! Did you know that the neurotransmitter for curiosity is dopamine? Our brains are instinctively wired so that if we stay curious, we will keep learning and growing.

This book is the product of an intense shared curiosity about uncertainty and possibility, one that started thirty years ago when the two of us met as university freshman. Both researchers, writers, and entrepreneurs but in vastly different fields (Nathan—technology, strategy, fiction; Susannah—art history, fashion, mindfulness), we have built a life together that's fueled by a fascination with and belief in the human ability for *transilience*. From the Latin root for “leap across,” it's an old word worth reviving, which means to abruptly change something from one state to another. Every brilliant insight, choice, act, and innovation comes only after a phase of uncertainty. And the uncertainty brought about by every mistake, setback, discouragement, and even disaster carries possibility within it.

Our first joint research and writing project, as nineteen-year-old students, was about zombies: brain-dead creatures being led around by hunger. This one is about the exact opposite: fully awake and conscious individuals taking responsibility for the possibility in their lives. Whether you are a manager or a creator, a team member or a team leader, a parent or a partner, leading a company or just getting started in your education or career, uncertainty is an unavoidable part of being

human. But because uncertainty's downsides can be so intense, they often disguise or temporarily obstruct our view of what's possible. This book is about the upside of uncertainty—believing, finding, and living into the opportunity that attends every unknown.

We all come from different perspectives and circumstances. Some of us may have resources or situations that allow for bold choices and others do not; in addition, too many people suffer from very real unfairness and injustice in their daily lives. It is our hope that together with service-minded leaders, courageous individuals can work to eradicate unfairness and inequality, creating a growing tide of possibility for others. But in every situation and circumstance, when we believe in the upside of uncertainty, we increase our chances of finding it.

The Upside of Uncertainty offers a hopeful framework for making the leap across uncertainty even in the face of limitation and constraint. It's filled with tools and personal applications based on interviews, research, and personal experience, all aimed at helping you start moving now. We invite you to hold tight to your curiosity and dig right in.

The
Upside *of*
Uncertainty

Introduction

Unlocking the Upside of Uncertainty

“We’re always living in a state of uncertainty — two years ago, two years from now—therefore, part of our challenge as I see it is to make uncertainty . . . our home. This is where we’re living, every day of our lives. . . . Let’s rejoice in it, furnish it, close the door, rearrange the books, and say, Make this as beautiful as it can, given that forest fire, earthquake, or who knows what will be coming tomorrow—or tremendous beauty and love may be coming in the door tomorrow..

Pico Iyer

Recall for a moment any big change you’ve experienced in your life, perhaps a new work project, career, geography, or relationship. What made it hard? What held you back? What tempted you not to make the change? The answer is *uncertainty*. Now consider that everything you really care about in your life came only after a period of uncertainty. Even now, behind every uncertainty you are facing—even the unwanted and unpromising varieties—insight, growth, and possibility are waiting in the wings. We are all wired to fear the downsides of uncertainty, but we forget that change, creation, transformation, and innovation rarely show up without some measure of it. In this book we invite you to consider that the only way to get to the possibilities you dream about is to navigate your way there through the treacherous realm of the unknown.

Consider the massive uncertainty in each of these real-life examples: a fashion executive jumping ship to become a baker, a young trainee

raising her hand to tackle the company's thorniest problem, a banker abandoning his year-end bonus to create a startup in a rented garage, a goldsmith stress-running at 4 a.m. as his business fails and his wife battles cancer, a venture capitalist investing in a project that will lose every cent, a software engineer receiving a cease-and-desist letter about his new project from the almighty Apple, a couple teaching inmates how to code without access to the internet.

Every single one of these people had to face immense uncertainty to get to the possibility they were celebrated for later. Some of their names you might recognize, like Indra Nooyi or Jeff Bezos, but they weren't famous when facing the situations described above. And while many of the names you may not know yet, the common thread is that whether they chose the unknown or it was forced on them, they unlocked something beyond resilience: the upside of uncertainty. When we talk about uncertainty in this book, we are referring to anything unknown, any ambiguous state where you may not even know what to pay attention to, let alone all the ways it could play out. Uncertainty is broader than just risk, even though people often use them interchangeably. But risk usually involves taking only a small chance on knowable outcomes. Although people may say you have to "take a risk" when you face any uncertainty, they really mean you're stepping into uncharted territory.

When we talk about the upside of uncertainty, we don't mean to minimize the downsides. We feel them first and intensively, and too much uncertainty is a bad thing. But it was our hunch that everyone reading this would be familiar with the downsides: anxiety, stress, exhaustion, and confusion are states that have hindered all of us on our way to doing things we deeply care about. We also don't want to minimize the frustration and grief that uncertainty causes, especially when the unexpected blindsides us. We aren't claiming that it's possible to sidestep the loss and tragedy that some uncertainties bring. Nor are we encouraging naive forays into pursuits that might hurt yourself or others. But we do believe that even in despairing situations, there are new possibilities that can emerge and old hopes that can be salvaged when we learn to navigate the unknown.

Most importantly, by enduring uncertainty well, even when pushed to their limits, the individuals described above accessed a different kind of possibility. Unlike possibilities that arise out of sheer luck, like winning a lottery, or those that arise from efficiency, such as the time gained after buying a dishwasher, the most interesting kind of possibilities—the

ones we daydream about, the ones we write about, the ones that we talk about late into the night and that make our hearts ache—are those we find only after facing uncertainty. Recall the achievements you are most proud of, the commitments you made that feel right, the leaps into the dark that changed the course of your life. They all involved uncertainty.

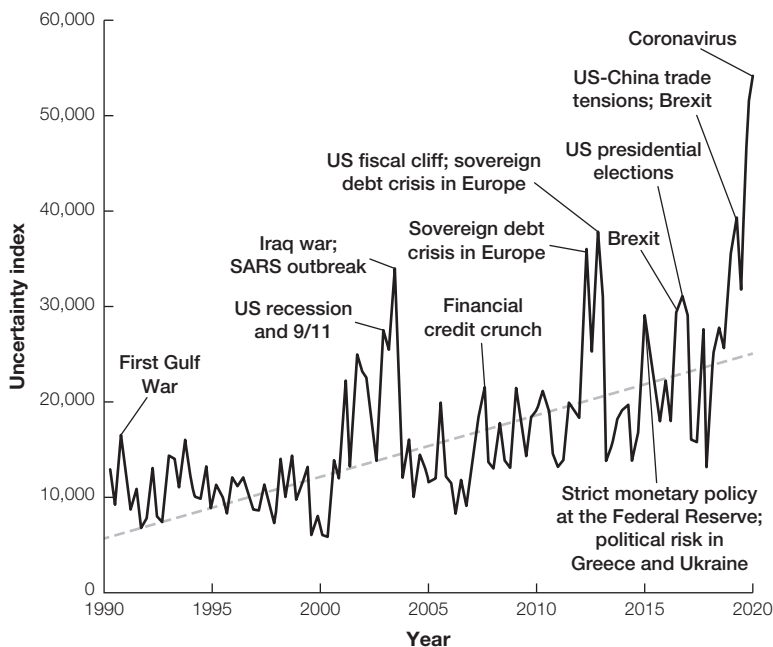
Uncertainty Is Increasing

Moreover, we are all being called to deal with uncertainty more frequently. According to the World Uncertainty Index, created by economists at Stanford and the International Monetary Fund to capture economic and policy uncertainty, uncertainty has been rising steadily over recent decades (see figure I-1). “There is ambiguity and paradox everywhere,” observed Jostein Solheim, former CEO at Ben and Jerry’s. “For people who like the linear route forward, life is getting harder and harder, in any field!”¹

It’s getting harder because there is *no* linear route forward in a world where up to 65 percent of elementary-school-age children may work in jobs that don’t even exist yet.² Technology has only magnified the uncertainty, lowering the barriers to participate in many industries, increasing the pace of change. And while we learn many things in school, from mathematics and biology to personal finance, we do not learn how to prepare for and face uncertainty. Without the right tools, we fall into maladaptive traps such as threat rigidity, unproductive rumination, premature certainty, and misinvention. If you don’t believe these traps are real, consider that in response to the Covid-19 pandemic, 110,000 people in California purchased guns.³ And rising in the corporate ranks doesn’t give you immunity. Executives at the top feel uncertainty more than ever, with CEO turnover doubling in the last decade.⁴ One CTO recently lamented, “You find uncertainty on so many levels . . . in industry, boardroom, management, execution. . . . I thought as my career progressed I would feel more certain, but as your career progresses, uncertainty just increases.”⁵

Uncertainty is here to stay. Learning to face the unknown well is critical to our ability to survive and thrive. Numerous studies across academic fields suggest that people comfortable with uncertainty are more creative, more successful entrepreneurs, and more effective leaders. We have heard many times and in many ways what serial entrepreneur and

FIGURE I-1

World uncertainty index*GDP weighted average of more than 140 countries*

Source: Hites Ahir, Nicholas Bloom, and Davide Furceri, “The World Uncertainty Index,” October 29, 2018, <https://ssrn.com/abstract=3275033>.

Note: This analysis captures only economic and political uncertainty. The World Uncertainty Index (WUI) calculates the GDP weighted average of uncertainty in more than 140 countries. Specifically, the “WUI is computed by counting the percent of word ‘uncertain’ (or its variant) in the Economist Intelligence Unit country reports. The WUI is then rescaled by multiplying by 1,000,000. A higher number means higher uncertainty and vice versa. For example, an index of 200 corresponds to the word uncertainty accounting for 0.02 percent of all words, which—given the EIU reports are on average about 10,000 words long—means about 2 words per report.”

CEO Sam Yagan stated so clearly: “The single biggest predictor of executive success is how you deal with ambiguity.”⁶ Likewise, strategy consulting firm McKinsey & Company argues that “what leaders need during a crisis is not a predefined response plan but behaviors and mindsets that will prevent them from overreacting to yesterday’s developments and help them to look ahead.”⁷ But what few of these studies or reports make clear is how to develop this can-do approach to uncertainty.

We offer this book as a guide to help readers discover and hold on to the upside of uncertainty—all the possibilities that come to those who

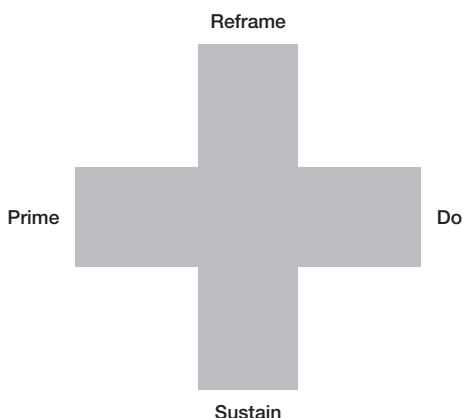
learn to ride its waves. If we can tolerate uncertainty, and even pursue scenarios in spite of it, we can develop an *uncertainty ability*—the skill to navigate unknowns both planned (such as starting a new venture or leaving a job) and unplanned (such as losing a job, experiencing a health crisis, or going through a relationship breakdown). The people we admire—the ones who do new and inventive things and those who respond nobly to tragedy—have our admiration precisely because they developed a healthy relationship with uncertainty, at the same time increasing their *possibility quotient*, or the likelihood that they see and seize new opportunities.

The Tools for Uncertainty

Since new things are inherently unknown, the arenas of innovation and entrepreneurship are a fascinating spot to better understand if and how one can learn to navigate uncertainty. We started by interviewing pathbreakers in these fields and found that, even though they felt the anxiety that comes with uncertainty just like the rest of us, many of them had learned to meet uncertainty with greater courage, resilience, and skill. While each of us comes with differing capacities to handle uncertainty, and while neuroscience highlights that every skill is shaped by genes, environment, and learning, a significant part of this uncertainty ability appears to be learned.⁸ Research in the domains of ambiguity tolerance, uncertainty avoidance, and resilience all underscore that we can learn to face uncertainty well.

In addition to our interviews, we reviewed historical case studies as well as the relevant academic literature in the fields of strategy, organizational behavior, psychology, neuroscience, and political science. Along the way, it became obvious that we needed to include examples of other groups of people who have developed remarkable uncertainty ability: artists, creatives, paramedics, change makers, and contrarians, among others. The practical framework that emerged from this project leverages the validated empirical research where possible but fills the many gaps with interviews and sometimes our own framework when the research frontier lags behind real life. Sprinkled throughout, we will share some of our personal experiences as individuals fascinated by uncertainty but unwilling to let the downsides have the last word. These include our decision to live abroad, our experience as spiritual nomads

FIGURE I-2

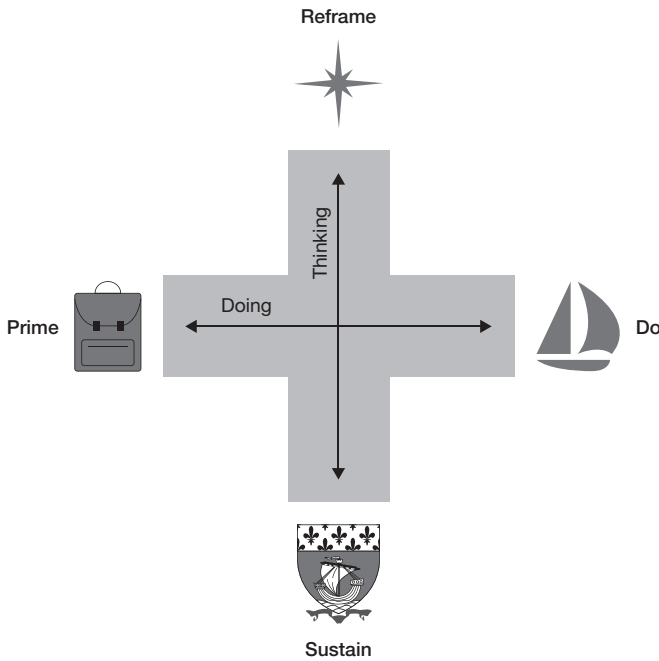
Uncertainty first aid cross

after what many call a “faith crisis,” and our life as a married couple and parents unlearning toxic, archaic patterns in favor of more authentic and helpful partnerships with our children and each other.

There are four groups of tools that increase uncertainty ability, organized around an uncertainty first aid cross to remind you that there is help available for facing the unknown. *Reframe* tools enable and strengthen a perspective shift, motivating you to look creatively for all the possibilities and to believe in an upside that you can’t see yet. *Prime* tools prepare you by encouraging projects that matter to you, taking into account your personal uncertainty landscape to enable satisfying outcomes when it’s time to act. *Do* tools describe how to thoughtfully unlock the rewarding possibilities hidden in the uncertainties you face to promote a future you want to live in. *Sustain* tools give comfort and remind you why and how to keep going, or how to pivot when things don’t go as planned.

We have chosen symbols that inspire and recall the main thrust for each set of tools (see figure I-3 below). The compass highlights how Reframe tools point to the steady “true north” upside of uncertainty when in the fog; the backpack reminds that Prime tools impact the quality of the uncertainty journey and where you end up; the sailboat symbolizes how Do tools are about taking advantage of when the wind blows to move forward with boldness, cleverness, and agility but also recognizing

FIGURE I-3

Uncertainty first aid cross icons


how to adjust course when needed; and the emblem of Paris—a boat on the water, often paired with the motto “tossed but not sinking”—assures that Sustain tools will calm your fears, bolster your efforts, and reveal the possibilities. Thus, the north-south “thinking” axis is akin to the poles by which we navigate the world, and the east-west “doing” axis recalls the action required to travel across time zones.

The book is divided into four sections, each centering on one of the four arms of the uncertainty first-aid cross, with each tool given a short chapter followed by an activity to help you reflect on and practice what you’ve read. (For clarity, note that each chapter is named for its tool.) Applying the uncertainty tools is not meant to be a linear process, as they inform each other and even overlap. Instead, use what resonates for you in a given moment. We have tried to arrange the tools so they can be applied to maximum effect, which resulted in the Sustain tools being grouped according to three critical themes—*emotional hygiene*, *reality check*, and *magic*—to make them easier to remember in times of trouble.

The tools are for everyone, from leaders in organizations to creatives exploring new domains, from parents trying to raise children to adults trying to raise themselves. They are tools for all of us, no matter what role we may be playing, because at some point we may face an uncertainty we are tempted to hide or retreat from but are meant to pursue or engage with. We forget that, as legendary technologist Martin van den Brink argued, “Not doing things also has consequences; that’s part of the uncertainty. Standing still is not a choice.”⁹ Uncertainty will happen to us even when we try to avoid it. To reach our highest potential and live our noblest values, we need to be willing to step into uncertainty. Our hope is that by reading this book, you will more readily find the upside of uncertainty. When you do, you will also find your own *transilience*—a transformation beyond resilience where you leap from the darkness of the unknown to the brilliance of change, growth, and infinite possibility.