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LUIS PEREZ-BREVA: Episode 2. All Great Ideas Start Out Bad. All great ideas start out bad. Most look horrible at the start. And yet this should come as a relief. That idea you had or heard this morning that everyone laughed at could be the start of something.

That's right, the idea does not need to look disruptive or scalable or exponential or like a business yet. You can start with what you have. This is often difficult for people to accept. Most innovation stories are told in hindsight, which creates a cognitive bias. If you have read a lot of innovation stories, it may be hard to accept that the start of those great stories is a poor fit for the innovations they became.

But success isn't hiding in the idea. It follows from what you do next. Here are some examples of bad ideas that graduated into becoming great innovation stories to tell.

In 1878, Sir William Preece, who at the time was chief engineer of the British Post Office, mentioned that the lack of errand boys was causing Americans to adopt an idea that had no future. He was talking about the telephone.

Around 1914, the Ford Motor Company increased worker wages manyfold above the minimum wage. Critics thought Henry Ford had gone insane, but the Ford Motor Company did not go bankrupt like critics expected. Instead, they initiated a trend in the industry that caused cars to become affordable.

In the late 1960s, in an interview to *The New York Times,* Dr. Maiman, the inventor of the laser, spoke of it as a solution still seeking for a problem. Today, lasers are everywhere.

At the turn of the 21st century, one of the companies from famed investor Vinod Khosla had a chance to acquire Google for about $750,000. They passed. They felt it was too expensive.

After exiting PayPal, a young Elon Musk founded a not-for-profit called Mars Oasis to take a small greenhouse to Mars. He and his team tried to buy rockets from a group of Russians, but the Russians laughed at them. So instead, they set out to build rockets themselves and ended up founding SpaceX.

In 2021, a new company called Colossal announced plans to bring back the woolly mammoth in an attempt to stop climate change. You can read about it in *The New York Times.*

These examples cover about 150 years' worth of unlikely innovation stories across many domains-- investment, industrial factories, new technologies, entrepreneurship, not-for-profits even. In every case, an idea that seemed preposterous at the time it got started has ended up leading to something we now think of as an obvious innovation.

Well, to be fair, as of the recording of this video, the jury was still out on whether the idea to bring back the woolly mammoth will land someplace worth inclusion in the list. But that only strengthens the point I have been making all along. At the start, preposterous ideas and good ideas look the exact same.

After hearing all this, many people still find this notion really difficult to accept. You see, most entrepreneurship and innovation frameworks create the illusion that you just have to find the idea that will work and then execute. It's as if the idea had to have it all before you even start. And so the list of requirements for the idea grows.

It has to be scalable, disruptive, singular, exponential. It is easy to see why people have a hard time letting go of that delusion. If ideas came pre-labeled as good, bad, slam dunk, et cetera, then all you'd have to do is talk to a few people or users, do a minimum prototype and pitch it, and you'd be mostly done.

In our experience, reality works another way. To be clear, there is no guarantee that your idea will ever graduate from being bad. But all that matters is whether the idea can supply you with the spunk you need to get you started on the real job. And the job is to fix the idea.

And it amounts to being wrong a lot and surviving it all. That is what I call being productively wrong. When I say this, people often ask, oh, you mean like fail fast? No. Fail fast and being productively wrong are not the same. This is a key distinction of this new mindset.

The fail fast phrase has been used so much that it now looks like failing is a cause for celebration. All you have to do to join the cool kids club and claim yourself an innovator is to fail. It isn't. It is still better when things work. I cannot fathom Steve Jobs celebrating failure that way.

And yet a lot of famous people speak often of failing, failing fast, and failing often. But we really listen to them because of their success. So it is hard to know what they mean by failing and what you should get from it. This can help. Ditch the Fail Fast mantra. What matters is to realize that the idea you start with is a poor fit for what you think you want to accomplish, and the only way you can discover that is by making your ideas real and tangible.

You may wonder what I mean by making an idea tangible. Nowadays, very often, we talk about ideas, we create PowerPoints, we describe them to others, and we fall increasingly in love with the idea we had. But that idea only lives on paper. By making it tangible, what I'm asking you to do is find a way to make a physical something that you could point to so that other people can actually see your idea somehow in action.

Making your idea tangible is how you realize you had not thought it all through, and you start to learn how you were wrong. I will tell you more about this in another video. Finding something wrong about your idea isn't failing. Only people afraid to be wrong confuse that for failing.

Finding something wrong about your idea is how you start fixing it. You can take forever to do this, or you can find ways to find out how your idea was wrong sooner. But it isn't failing. It is the precise opposite. It is a pursuit of excellence.

Innovation rarely emerges from planned sloppiness. You have to care about excellence. You need to hate failing, but you cannot be stigmatized by it. There is no merit in failing. There is no stigma either. But you're in this to succeed. So fail only in ways you could not have predicted.

As you will see in a few videos, this mindset, the pursuit of excellence, and the absolute determination to not fail is how astronauts go to space and back.

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