



Interview with Paul Michelman

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KENNEALLY: Research in understanding digital disruption may take place on a university quad, but the language of the discussion can sound straight out of a Buddhist monastery. As the technology typhoon sweeps over you and your organization, the prescription is to respond to change rather than resist it. In other words, bend like bamboo.

Welcome to Copyright Clearance Center's podcast series. I'm Christopher Kenneally for Beyond the Book. Since 2016, the *MIT Sloan Management Review* has used its Frontier section to explore the organizational issues of our time, from the rise of the robots to the surprising ways that humans remain more powerful than any technology. Recently, *MIT Sloan Management Review* and MIT Press inaugurated two book series that will advance the digital transformation conversation in important new directions. Paul Michelman is editor in chief at *MIT Sloan Management Review* as well as for the two lines of books. He joins me today from his office in Building E90 on MIT's Cambridge, Massachusetts, campus. Welcome to Beyond the Book, Paul Michelman.

MICHELMAN: Chris, thanks. I'm delighted to be here.

KENNEALLY: We're looking forward to chatting with you. We hear a lot in the press, of course, these days about artificial intelligence and digital transformation. The interesting intersection that you're up to here is the technology and the management issues. The MIT Sloan School of Management is the business school of the Massachusetts Institute of Technology, which of course is associated with all manner of innovation in artificial intelligence and data analytics and so forth. And books like the ones you're working on are reports from the real world where those technologies have instigated great change – sometimes delightful, sometimes disturbing, always unexpected. So give us an idea, Paul, of how organizations and employees are coping with digital transformation.

MICHELMAN: I think that it varies wildly right now, Chris, from organization to organization. I think some are actually coping quite well, and they're reaping the rewards of doing that in the marketplace. And others are barely coping at all, which makes this such a fascinating topic to be covering.



KENNEALLY: Indeed, a great deal to learn, both what to do and what not to do, I suppose. There is a collection of articles and other materials from *Sloan Management Review*, *Who Wins in a Digital World?* It's a great question, sometimes a scary question, Paul. And I guess it depends who you ask and when you ask the question.

MICHELMAN: I think that's right. And it varies by industry, it varies by geography. One of the things that we're finding which is scary to organizations and maybe exciting for people who cover organizations is there isn't a surefire formula. There isn't a playbook for how to adapt your organization, particularly an older, successful legacy organization. There's no playbook for how to adapt that to the digital world. There's no playbook for how to beat unknown competitors, people who are emerging seemingly out of nowhere. So it makes it a really exciting and incredibly important topic to cover from our vantage point.

KENNEALLY: And you conduct – I mean, MIT Sloan School of Management and its contributors to the review and to these books – they're conducting really, really deep, insightful research on this – not just sort of observing things at a distance, but getting into the workplaces themselves and understanding how digital transformation is changing them. And as you say, there's various findings that come back. One of the areas that seemed to be important, as I understood from reading the background, was that there is a power of intersections, where there are overlapping interests where technology and culture, for example, overlap. Tell us about that – the power of intersections.

MICHELMAN: Yeah, it's a great question, and indeed, there's enormous power in intersections that are previously unexplored, especially for larger organizations. So the digital world has this ability to cut through traditional silos – silos within organizations, but also research silos, topical silos. It's like that digital is this great leveling, where organizations that seem to be in completely different industries are suddenly competing with one another, where people within organizations who never had cause to speak two words to each other are suddenly in the same room all day trying to figure out problems they've never seen before.

And what this speaks to is the need for organizations, and especially their top leaders, to be able to pull back and retool these organizations for a very new competitive reality. Of course, they have to do this while conducting business as usual. In many respects, these are unprecedented challenges. We think we as a curator – and that's principally what we believe our role is, as a curator of the most important new ideas coming out of management research, both within academia



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and within industry – our role is to identify to people doing the work that actually stands to advance this new type of practice that’s required today.

KENNEALLY: And the first book that you have produced for that particular objective is from Tom Davenport at Babson College, *The AI Advantage*, which was published in October of 2018. As I understand, the book is taking the view that technology is something that can be used in small steps, rather than trying to take giant leaps – that its most important thing is not to go for the moon shot, but to go for the drive down the street.

MICHELMAN: That’s exactly what Tom is saying. Tom’s book is the first in our Management on the Cutting Edge series, which is one of the two book series that we’re producing with MIT Press. Tom has a way of taking what could be a profoundly daunting new technology, artificial intelligence, and bringing us down to this base level, this foundational level, where organizational leaders can see a path for moving forward. It’s easy to get caught up in the kind of long-term threats and long-term potential of a technology as huge as AI. And when we do that, we fumble around on how to get started.

It’s easier – and this will sound strange, but sometimes it’s easier to think in terms of moon shots and thinking in terms of how we’re going to completely recast what we do in the marketplace. Sometimes that’s an easier thing to think about than just finding something in our current operations that we could improve with the same technology. And what Tom is doing in this book, which I think is just so powerful, is showing organizations how to take this big, huge, complicated technology and simplify it and simplify it and simplify it to the point where you could actually do something, right? You can’t take a giant leap without a small step. That’s one of the essential takeaways from this book.

KENNEALLY: And it’s an interesting complement to the book that you will publish in that same series this coming April, *The Technology Fallacy*. I love that title, because it’s somehow reassuring to find out that technology isn’t the solution for everything. It seems to me it follows very well with that lesson from Tom Davenport that it is about small steps. It’s about doing things that are achievable. And it’s also about recognizing – *The Technology Fallacy* strives to help people understand that technology isn’t the fix itself, that it’s about the company culture that has to change along with the technology solution itself.

MICHELMAN: Right. I’d love to say that we were planful that these books would be complements to each other and that we planned that all along. It just so happens that things have worked out really well, because they do complement each other in



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an almost perfect way. As you said, what *The Technology Fallacy* is about is the idea that it's technology that creates value. And what the authors are saying is that it's humans who create value.

But of course, to create value today, humans need to be able to use technology in the most effective ways. I'm not just talking about, say, what Tom is talking about, which is taking a technology like AI and moving forward. What Jerry Kane and Anh Phillips and their coauthors are saying in *The Technology Fallacy* is your entire organization has to be – I might be overselling this here, but has to be kind of retooled. The way we manage human beings has to be retooled in order to take advantage of new technologies. But the fundamental issue here is the human beings and not the technology, if that makes sense.

KENNEALLY: It does. And I wonder if we can end our discussion, Paul Michelman, by asking about what this all means to you and the publishing operation at *Sloan Management Review*. You have a fascinating background. You were editor in chief at Safari Books Online. You were an executive editor at *Harvard Business Review*. You've been in publishing for the period of time when we've seen that crossover from the analog world to the digital world. What do these lessons in how digital transformation impacts organizations mean to publishing there at MIT, but also, do you think, to publishing generally?

MICHELMAN: Man, publishing's at the epicenter, right, of digital disruption. We've been seeing it in many respects longer than some industries. But from the dawn of the web, perhaps – maybe not the internet – publishing has been disrupted from all corners. In many respects, the democratization of ideas is a really wonderful thing. You have more people from more diverse points of view contributing to the world's body of knowledge.

But of course, and all publishers recognize this, it also creates a huge problem for the consumer of ideas. How do you determine what ideas are credible and what are not? What are the guideposts or the signposts available to you to figure out what you should be spending your time on? We think that our role has never been more important in that respect, that especially with a brand like MIT and MIT Sloan, we have a hugely important role to play in helping people figure out which ideas are worth spending time on and which are worth spending less time on.

But at the same time, the business we're in is really tough. Traditional sources of revenue are drying up. We're always having to reinvent the business in order to fulfill our mission, which is to continue to help people to improve the practice of business. So we're right in the middle of it.



One of the nice things about being in the middle of the digital tsunami is you have your own lens to bring when you see a new idea. If an idea feels meaningful to us, we have a pretty good sense it's going to feel meaningful to others.

KENNEALLY: Well, we appreciate you sharing those ideas with us, and we are grateful you joined us today on Beyond the Book. We have been talking with Paul Michelman, the editor in chief at *MIT Sloan Management Review*. Thanks for joining us on Beyond the Book, Paul.

MICHELMAN: Chris, it's been my pleasure. Thank you.

KENNEALLY: Beyond the Book is produced by Copyright Clearance Center. Our co-producer and recording engineer is Jeremy Brieske of Burst Marketing. Subscribe to the program wherever you go for podcasts and follow us on Twitter and Facebook. The complete Beyond the Book podcast archive is available at beyondthebook.com. I'm Christopher Kenneally. Thanks for listening and join us again soon on CCC's Beyond the Book.

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