

[pmarchive.com /luck_and_the_entrepreneur.html](https://pmarchive.com/luck_and_the_entrepreneur.html)

Luck and the entrepreneur, part 1: The four kinds of luck

11-14 minutes

Luck and the Entrepreneur, Part 1: The four kinds of luck

Aug 14, 2007

In the last few weeks, I've been reading huge stacks of books on the psychology of creativity and motivation -- which is the reason for the relative scarcity of substantive blog posts. Said post situation will be remedied shortly, by a series of posts on -- surprise! -- the psychology of creativity and motivation.

But first, to complement [my post on age and the entrepreneur](#) from a few days ago, this post begins a series of occasional posts about *luck* and the entrepreneur.

Luck is something that every successful entrepreneur will tell you plays a huge role in the difference between success and failure. Many of those successful entrepreneurs will only admit this under duress, though, because if luck does indeed play such a huge role, then that seriously dents the image of the successful entrepreneur as an omniscient business genius.

Moreover, some of those people would shrug and say that luck is simply out of your hands. Sometimes you have it, sometimes you don't. But perhaps there's more to it than that.

Dr. James Austin, a neurologist and philosopher (!), wrote an outstanding book called [Chase, Chance, and Creativity](#) -- originally in 1978, then updated in 2003. It's the best book I've read on the role of luck, chance, and serendipity in medical research -- or, for that matter, any creative endeavor. And because he's a neurologist, he has a grounding in how the brain actually exerts itself creatively -- although there is more recent research on that topic that is even more illuminating (more on that later).

In the book, Dr. Austin outlines his theory of the four kinds of luck -- or, as he calls it, chance; I will use the terms interchangeably.

First, he defines chance as follows:

Chance... something fortuitous that happens unpredictably without discernable human intention.

Yup, that's luck.

Chance is unintentional, it is capricious, but we needn't conclude that chance is immune from human interventions. However, one must be careful not to read any unconsciously purposeful intent into "interventions"... [which] are to be viewed as accidental, unwilled, inadvertent, and unforeseeable.

Indeed, chance plays several distinct roles when humans react creatively with one another and with their environment...

We can observe chance arriving in four major forms and for four different reasons. The principles involved affect everyone.

Here's where it helps to be a neurologist writing on this topic:

The four kinds of chance each have a different kind of motor exploratory activity and a different kind of sensory receptivity.

The [four] varieties of chance also involve distinctive personality traits and differ in the way one particular individual influences them.

OK, so what are they?

In Chance I, the good luck that occurs is completely accidental. It is pure blind luck that comes with no effort on our part.

Yup.

In Chance II, something else has been added -- *motion*.

Years ago, when I was rushing around in the laboratory [conducting medical research], someone admonished me by asking, "Why all the busyness? One must distinguish between motion and progress".

Yes, at some point this distinction must be made. But it cannot always be made first. And it is not always made consciously. True, *waste* motion should be avoided. But, if the researcher did not move until he was certain of progress he would accomplish very little...

A certain [basic] level of action "stirs up the pot", brings in random ideas that will collide and stick together in fresh combinations, lets chance operate.

Motion yields a network of new experiences which, like a sieve, filter best when in constant up-and-down, side-to-side movement...

Unluck runs out if you keep stirring up things so that random elements can combine, by virtue of you and their inherent affinities.

Sounds like a startup!

Chance II springs from your energetic, generalized motor activities... the freer they are, the better.

[Chance II] involves the kind of luck [Charles] Kettering... had in mind when he said, "Keep on going and chances are you will stumble on something, perhaps when you are least expecting it. *I have never heard of anyone stumbling on something sitting down.*"

OK, now here's where it gets interesting:

Now, as we move on to Chance III, we see blind luck, but it tiptoes in softly, dressed in camouflage.

Chance presents only a faint clue, the potential opportunity exists, but it will be overlooked except by that *one person* uniquely equipped to observe it, visualize it conceptually, and fully grasp its significance.

Chance III involves involves a special receptivity, discernment, and intuitive grasp of significance unique to one particular recipient.

Louis Pasteur characterized it for all time when he said, "Chance favors the prepared mind."

I thought that was Eric Bogosian in [Under Siege 2: Dark Territory](#), but OK.

...The classic example of [Chance III] occurred in 1928, when Sir Alexander Fleming's mind instantly fused at least five elements into a conceptually unified nexus [when he discovered penicillin -- one of the most important medical breakthroughs ever].

He was at his work bench in the laboratory, made an observation, and his mental sequences then went something like this: (a) I see that a mold has fallen by accident into my culture dish; (2) the staphylococcal colonies residing near it failed to grow; (3) therefore, the mold must have secreted something that killed the bacteria; (4) this reminds me of a similar experience I had once before; (5) maybe this new "something" from the mold could be used to kill staphylococci that cause human infections.

Actually, Fleming's mind was exceptionally well prepared. Some nine years earlier, while suffering from a cold [you can't make this stuff up], his own nasal drippings had found their way onto a culture dish. He noted that the bacteria around his mucous were killed, and astutely followed up the lead. His experiments then led him to discover... lysozyme...

[which] proved inappropriate for medical use, but think of how receptive Fleming's mind was to the penicillin mold when it later happened on the scene!

OK, what about Chance IV?

[Chance IV] *favors the individualized action.*

This is the fourth element in good luck -- an active, but unintentional, subtle individualized prompting of it.

Please explain!

Chance IV is the kind of luck that develops during a probing action which has a distinctive personal flavor.

The English Prime Minister, Benjamin Disraeli, summed up the principle underlying Chance IV when he noted: "We make our fortunes and we call them fate."

Chance IV comes to you, unsought, because of who you are and how you behave.

...Chance IV is so personal, it is not easily understood by someone else the first time around... here we probe into the subterranean recesses of personal hobbies and behavioral quirks that autobiographers know about, biographers rarely.

[In neurological terms], Chance III [is] concerned with personal *sensory receptivity*; its counterpart, Chance IV, [is] involved with personal *motor behavior*.

Please continue!

[You] have to look carefully to find Chance IV for three reasons.

The first is that when it operates directly, it unfolds in an elliptical, unorthodox manner.

The second is that it often works indirectly.

The third is that some problems it may help solve are uncommonly difficult to understand because they have gone through a process of selection.

We must bear in mind that, by the time Chance IV finally occurs, the easy, more accessible problems will already have been solved earlier by conventional actions, conventional logic, or by the operations of the other forms of chance. What remains late in the game, then, is a tough core of complex, resistant problems. Such problems yield to none but an unusual approach...

[Chance IV involves] a kind of discrete behavioral performance focused in a highly specific manner.

Here's the money quote:

Whereas the lucky connections in Chance II might come to anyone with disposable energy as the happy by-product of any aimless, circular stirring of the pot, the links of Chance IV can be drawn together and fused only by *one* quixotic rider cantering in on his own homemade hobby horse to intercept the problem at an odd angle.

A recap?

Chance I is completely impersonal; you can't influence it.

Chance II favors those who have a persistent curiosity about many things coupled with an energetic willingness to experiment and explore.

Chance III favors those who have a sufficient background of sound knowledge plus special abilities in observing, remembering, recalling, and quickly forming significant new associations.

Chance IV favors those with distinctive, if not eccentric hobbies, personal lifestyles, and motor behaviors.

This of course leads to a number of challenges for how we live our lives as entrepreneurs and creators in any field:

- **How energetic are we?** How inclined towards motion are we? Those of you who read [my first age and the entrepreneur post](#) will recognize that this is a variation on the "optimize for the maximum number of swings of the bat" principle. In a highly uncertain world, a bias to action is key to catalyzing success, and luck, and is often to be preferred to thinking things through more thoroughly.
- **How curious are we?** How determined are we to learn about our chosen field, other fields, and the world around us? In my post on [hiring great people](#), I talked about the value I place on curiosity -- and specifically, curiosity over intelligence. This is why. Curious people are more likely to already have in their heads the building blocks for crafting a solution for any particular problem they come across, versus the more quote-unquote intelligent, but less curious, person who is trying to get by on logic and pure intellectual effort.
- **How flexible and aggressive are we at synthesizing** -- at linking together multiple, disparate, apparently unrelated experiences on the fly? I think this is a hard skill to consciously improve, but I think it is good to start most creative exercises with the idea that the solution may come from any of our past experiences or knowledge, as opposed to out of a textbook or the mouth of an expert. (And, if you are a manager and you have someone who is particularly good at synthesis, promote her as fast as you possibly can.)
- **How uniquely are we developing a personal point of view -- a personal approach** -- a personal set of "eccentric hobbies, personal lifestyles, and motor behaviors" that will uniquely prepare us to create? This, in a nutshell, is why I believe that most creative people are better off with more life experience and journeys afield into seemingly unrelated areas, as opposed to more formal domain-specific education -- at least if they want to create.

In short, I think there is a roadmap to getting luck on our side, and I think this is it.