

Run Your Career Based on Facts and Statistics - Not Opinions

By [Harrison Barnes](#)

One of the worst things you can possibly do is run your career based on the opinions of others. Other people are always going to have differing ideas about where you should work, how much you should work, what salary you should make--and various other subjects relating to your employment. Rather than making decisions based on the opinions of others, it is usually much more productive for you to base your decisions on hard, concrete facts, and empirical data. You can often learn a lot more from facts and figures than you can from the opinions of others.

- Opinions are fickle and change over time.
- Opinions can be created by a few individuals for reasons that are often self serving.
- Opinions are often not based on fact; they are biased.
- Opinions are often formed as a reaction against organizations that try to hold people accountable.

I took my last and final job as an [attorney at a law firm](#) that seemed excellent in all respects. The law firm paid the highest salaries in the city at the time and when I interviewed with the firm, the people who interviewed me told me I would get lots of good "litigation experience", and that I would get the opportunity to go to court a lot. Going to court and arguing various motions in court, doing trials, and so forth, is something that young litigators are really after. In addition to paying the highest salaries in the city, the firm I was going to work for had an excellent reputation and was also one of the oldest law firms in the United States. Since I had gone to school on the East Coast, I knew that others on the East Coast thought highly of this law firm as well. Needless to say, when I told my parents that the law firm I was applying for paid nearly double the salary as compared to my then current firm, my parents were very enthusiastic and encouraging.

When I quit my job at the old firm in order to go to work for the new law firm, the Founder of my old firm, John Quinn, came into my office and told me something I will never forget:

"I see the court filings each morning that come into the courthouse, and the firm you are going to work for hardly ever goes into court. You are making a mistake."

This was a very smart man who used facts and figures in his argument. According to him, the facts and figures showed that there was not actually a lot of courtroom work at the other law firm. And it turned out he was absolutely right.

One of the main reasons I had chosen to go to work in the second law firm was because so many people supported the opinion that this new firm was much better than the firm I was coming from. Since the firm had such a longstanding reputation, there were just a lot of opinions in the marketplace about the greatness of the firm.

The law firm I was leaving had kept me really busy. There was a tremendous amount of work--more work, in fact, than I could believe. At the time, I even sort of resented having to tackle what seemed to be an insurmountable workload. I enjoyed the work itself; however, the sheer volume made my job very exhausting. Nonetheless, there was a lot of opportunity at this law firm. People were getting promoted to partnership all the time. The firm was always in the public eye for one of its cases or another. Many people in the community liked and respected the law firm a great deal.

When I got to the new [law firm](#), I was surprised to see that there was hardly any work at all. In fact, my first few weeks there I sat around with hardly anything to do. Then many other people started losing their jobs at the firm. Soon afterwards I started seeing people like the head of the accounting and human resources departments leave.

- Things such as lack of work are a statistical sign that demonstrates something is going wrong with a business.
- When people who have access to facts and figures start quitting, such as people who work in the accounting and human resources departments, it is a sign that something is wrong with a business.
- My being told before leaving my previous firm that the law firm in fact did not have a lot of trial work was a sign that something was wrong with the firm.
- The fact that the new law firm had hardly made any partners vs. the previous law firm I came from, demonstrates that something was right about the law firm I had previously worked for, and something was probably wrong at the law firm I had newly joined.

In all my years of working, I can flatly state that one of the best things you can do in your career is to make decisions based on statistical-type information--not the opinions of others. In my case, making decisions based on the opinions of the market, about which was the better law firm was a huge mistake. The truth of this (and almost any) matter almost always resides in the facts and statistics.

I keep going over in my head, a *60 Minutes* episode I saw recently about Bernard Madoff and a guy, Harry Markopolos, who for years was trying to get the attention of the securities and exchange commission, to explain to the commission that Madoff could not possibly be getting the returns he was showing; Harry had deduced this after doing a statistical analysis. He realized Madoff's claims were absolutely impossible and that statistically it must have been a huge fraud. People invested with Madoff from all over the world due to the majority opinions about how good an investor Madoff was. The investors relied heavily upon the fact that numerous important and famous people had also invested with the con man. Unfortunately, no one ever closely examined the real *statistics* associated with Madoff's investments.

According to Markopolos, he had been working for a Boston investment firm and his boss wanted him to reverse-engineer Madoff's trading strategy so the firm could duplicate the same results. Madoff was a former chairman of the NASDAQ stock exchange, and he was running an unregistered hedge fund at the time, which was producing great returns. The following

exchange occurred in Markopolos's interview with Steve Kroft of *60 Minutes*:

"He had the patina of being a respected citizen. One of the most successful businessmen in New York, and certainly, one of the most powerful men on Wall Street. You would never suspect him of fraud. Unless you knew the math," Markopolos told Kroft.

"I mean, you're like a math guy, right?" Kroft asked.

"I've taken all the calculus courses, from integral calculus through differential calculus, as well as linear algebra. And statistics, both normal and non-normal," Markopolos said.

Asked how long it took him to figure out something was wrong, Markopolos said, "It took me five minutes to know that it was a fraud. It took me another almost four hours of mathematical modeling to prove that it was a fraud. "

Opinions are varied and always changing. When one says 'opinion', he or she is naturally processing and filtering through tons of false reports and various prejudices that make up the entire social order. The danger of running your career, life, and finances based on opinions rather than facts, is very pronounced. After all, in many cases, people's entire life savings were wiped out by Madoff. Various educational institutions lost major portions of their endowments. The losses suffered were immense and widespread.

Historically, people have too often heavily relied upon false opinions, for instance, opinions that were based on prejudices against certain ethnic groups, or people from certain families. There are also opinions related to what is possible, which people have held dearly throughout history. Here are some of my favorite opinions that people have had in the past, which turned out to be completely false:

Heavier-than-air flying machines are impossible. -Lord Kelvin, president, Royal Society, 1895.

- ***If I had thought about it, I wouldn't have done the experiment. The literature was full of examples that said you can't do this.*** -Spencer Silver, on the work that led to the unique adhesives for 3M "Post-It" Notepads.
- ***So we went to Atari and said, "Hey, we've got this amazing thing, even built with some of your parts, and what do you think about funding us? Or we'll give it to you. We just want to do it. Pay our salary, we'll come work for you." And they said, "No." So then we went to Hewlett-Packard, and they said, "Hey, we don't need you. You haven't got through college yet."*** -Apple Computer Inc. founder Steve Jobs on attempts to get Atari and HP interested in his and Steve Wozniak's personal computer.
- ***"Professor Goddard does not know the relation between action and reaction and the need to have something better than a vacuum against which to react. He seems to lack the basic knowledge ladled out daily in high schools."*** -1921 *New York Times* editorial about Robert Goddard's revolutionary rocket work.
- ***You want to have consistent and uniform muscle development across all of your muscles? It can't be done. It's just a fact of life. You just have to accept inconsistent muscle development as an unalterable condition of weight training.*** -Response to Arthur Jones, who solved the "unsolvable" problem by inventing Nautilus.
- ***Airplanes are interesting toys but of no military value.*** -Marechal Ferdinand Foch, Professor of Strategy, Ecole Superieure de Guerre.
- ***The wireless music box has no imaginable commercial value. Who would pay for a message sent to nobody in particular?*** -David Sarnoff's associates, in response to his urgings for investment in the radio in the 1920s.
- ***Stocks have reached what looks like a permanently high plateau.*** -Irving Fisher, Professor of Economics, Yale University, 1929.
- ***Computers in the future may weigh no more than 1.5 tons.*** -*Popular Mechanics*, forecasting the relentless march of science, 1949.
- ***Man will never reach the moon regardless of all future scientific advances.*** -Dr. Lee De Forest, inventor of the vacuum tube and father of television.
- ***Louis Pasteur's theory of germs is ridiculous fiction.*** -Pierre Pachet, Professor of Physiology at Toulouse, 1872.
- ***The abdomen, the chest, and the brain will forever be shut from the intrusion of the wise and humane surgeon.*** -Sir John Eric Ericksen, British surgeon, appointed Surgeon-Extraordinary to Queen Victoria, 1873.
- ***The concept is interesting and well-formed, but in order to earn better than a 'C,' the idea must be feasible.*** -A Yale University management professor in response to Fred Smith's paper proposing reliable overnight delivery service. Smith went on to found Federal Express Corp.
- ***There is no reason anyone would want a computer in their home.*** -Ken Olson, president, chairman, and founder of Digital Equipment Corp., 1977.
- ***I think there is a world market for maybe five computers.*** -Thomas Watson, chairman of IBM, 1943.
- ***I have traveled the length and breadth of this country and talked with the best people, and I can assure you that data processing is a fad that won't last out the year.*** -The editor in charge of business books for Prentice Hall, 1957.
- ***But what ... is it good for?*** -Engineer at the IBM, 1968, commenting on the microchip.
- ***This 'telephone' has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us.*** -Western Union internal memo, 1876.
- ***The bomb will never go off. I speak as an expert in explosives.*** -Admiral William Leahy, US Atomic Bomb Project.
- ***"Who the hell wants to hear actors talk?"*** -H.M. Warner, Warner Brothers, 1927.
- ***I'm just glad it'll be Clark Gable who's falling on his face and not Gary Cooper.*** -Gary Cooper on his decision not to take the leading role in "Gone With The Wind."
- ***A cookie store is a bad idea. Besides, the market research reports say America likes crispy cookies, not soft and chewy cookies like you make.*** -Response to Debbi Fields' idea of starting Mrs. Fields' Cookies.
- ***We don't like their sound, and guitar music is on the way out.*** -Decca Recording Co. rejecting the Beatles, 1962.

- ***Drill for oil? You mean drill into the ground to try and find oil? You're crazy.*** -Drillers who Edwin L. Drake tried to enlist to his project to drill for oil in 1859.
- ***This fellow Charles Lindbergh will never make it. He's doomed.*** -Harry Guggenheim, millionaire aviation enthusiast.

Many wars have stemmed from considering opinions above facts. People are promoted in many jobs based on opinions and not facts. We often use someone's title in an organization as a method to form an opinion of them, and we fail to analyze the actual work they are doing. We resent people who have obtained an undeserved status, which has come solely from the opinion of others--not from the undeniable quality of their work. For example, the person who is promoted due to his marrying the boss's daughter is often resented by coworkers, because his work alone did not merit the promotion.

A major debate in society and in the workplace is regarding whether or not statistics should be used in the promotion of individuals. A decision by the Supreme Court was made this week, which dealt with the use of statistics in promotions. The Supreme Court has ruled that white firefighters in New Haven, Connecticut, were unfairly denied promotions due to their race. The court ruled that the City was wrong to not count a promotion exam because no African Americans and only two Hispanic firefighters were likely to be made lieutenants or captains based on the results. The City claimed that it had scrapped the results due to its fear that it would be sued by minorities if it had counted the exam.

The use of statistics is generally affirmed over the use of opinion. Schools, employers, and others all come under attack when they use "opinion" rather than statistics in making decisions about who should and who should not advance. The failure to use statistics can be detrimental to you in both your career and life. I have always followed the financial pages closely and I remember during the dotcom boom and the housing boom hearing Warren Buffett talk about each. Each time he gave his opinion about these respective subjects, he said they did not make any sense due to statistics, and the fact that the rapid expansion of both of these markets, were based on something other than statistics. The housing boom and the dotcom explosion were the result of decisions that people made, which were based on opinions rather than statistics.

If you have worked for an employer for 10 years and have gotten a paycheck every two weeks for 10 years, plus a series of promotions and raises, you might favor and trust these statistics, rather than taking a job with a start up that is trying something unproven. Lots of people screw up their careers like this. If you are in an industry that is slowly going out of business, you might consider this fact in your [job search](#). *In your career, you need to make your decisions based on statistics and facts--not opinions.*

THE LESSON

Rely on facts and statistics rather than opinions; when you depend on mere opinions, you inevitably face disastrous consequences. You must understand the difference between facts and opinions, analyze both, and adopt the former while disregarding the latter to make productive decisions.

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