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Review of

Hard Facts, Dangerous Half-Truths, and Total Nonsense: Profiting from Evidence-Based Management

By Jeffrey Pfeffer and Robert I. Sutton

Published by Harvard Business School Press, 2006

If there's one other recent business book that I heartily recommend, it's this one. Jeff Pfeffer and Bob Sutton, professors at Stanford University, have written a book that's perceptive, refreshing, and honest. I like the tone and agree with the argument. It's a superb book and deserves every success.

My praise shouldn't be surprising, since in some respects *Hard Facts* is similar to my book, *The Halo Effect*. Both expose muddled thinking in the business world. Both mention the research of Barry Staw. Both refer to the research of James Meindl. Further, both discuss some of the same companies, including Cisco, Intel, Dell, and Harrah's, and both mention the same misleading claim on a Bain & Co website. I have to admit that I had a sinking feeling when I first read *Hard Facts* in March 2006, fearing that my book might seem redundant after theirs.

But if the books overlap a bit, they are still very different. Rather than restate the arguments of *Hard Facts*, I'll focus on places where our books take different positions.

- One thing I particularly like is that the authors provide a middle category between *Hard Facts* and *Total Nonsense*—which they call *Dangerous Half Truths*. They are exactly right, and were perceptive to see that the most insidious problems are often not the result of total nonsense, but half-truths that are wrongly applied. Hats off to Pfeffer and Sutton for this insight.
- We both write about Cisco, but with very different implications. Pfeffer and Sutton depict Cisco as a glowing success, while to me, Cisco is a case study in the Halo Effect. In Chapter 2 of *The Halo Effect*, I show how Cisco received favorable attributions while it was zooming upwards, but then was described in a very different light when performance faltered. In fact, I quote from an earlier book by Jeffrey Pfeffer and Charles O'Reilly to show how they, too, indulged in attributions based on performance—they fell victim to the Halo Effect. This theme, central in my book, is missing from theirs.

- I'm more positive about Michael Porter and other strategy professors than they are. Perhaps because Jeffrey Pfeffer is a professor in the field of organizational behavior, the importance of strategy tends to be downplayed in *Hard Facts*. The authors dismiss the claim of a Stanford colleague, Robert Burgelman, that "strategy is destiny," but in doing so they veer to the other extreme. In my view, basic strategic choices are hugely consequential, as I write in the article on this website, "Is Success 10% Strategy and 90% Execution—or the Reverse?"
- Perhaps most fundamentally, Pfeffer and Sutton beg an important question that is implicit in their book: *Exactly what is a "Hard Fact"?* They want to emphasize the value of "evidence-based management," and that's fine, but they need to address more clearly the distinction between "hard facts" and questionable evidence. After all, nearly everyone claims that their findings are based on "hard facts"—perhaps no one more so than Jim Collins, who asserts that the conclusions of *Built to Last* and *Good to Great* meet the standard of good research based on valid evidence. But Collins's conclusions are *not* valid, as I describe in Chapters 7 and 8 of my book, because they were not based on hard facts at all, but on data of questionable validity, due mainly to the Halo Effect. It's not enough to insist that we rely on "hard facts"—the authors also need to offer readers a way to assess whether a fact is "hard" or not. There are ways to do so, as I write in *The Halo Effect*, including an insistence that data used for independent variables is truly independent from what is being explained. That insight is glossed over in *Hard Facts*. For all its strengths, on this basic question—what makes a fact "hard" or not—Pfeffer and Sutton miss a trick.

This last concern aside, however, *Hard Facts* is an excellent book, highly recommended and well worth reading. I hope that the combined effect of our books can help nudge managers, professors, consultants and journalists in a positive direction.