

DR. KEITH SMITH'S AUSTRIAN APPROACH TO INNOVATION

How Keith Smith Applied Key Principles of Austrian Economics to Build His Surgery Business.

AN AUSTRIAN WAY OF THINKING ABOUT BUSINESS

Rigorous cause-and-effect logic.
Deep understanding of customer subjectivity.
Identify and challenge all assumptions.
Identify and align all preference scales – including your own.
Maintain maximum dynamic flexibility.

SUBJECTIVE VALUE

Deep customer knowledge.
Empathy for their needs.
Maximum information.
Radical customer choice.

PREFERENCE RANKINGS

Ask --> Articulate.
Align all parties.
Accommodate with boundaries.
Eliminate the unalignable.

TIME PREFERENCE

Choose what to forego now for future benefit.
Make sure partners make compatible choices.
Be alert to high time preference.

DYNAMIC FLEXIBILITY

Continuous learning.
Constant critical examination of current capital combinations.
Look for ideas that change your mind.

BE ALERT TO INTERVENTIONISM

Identify every instance.
Examine market distortions.
Eliminate from your business wherever possible.
Constant vigilance.
Radical entrepreneurship.

SELF-EXAMINATION

Scour yourself for inconsistencies.
Identify and challenge your own assumptions.
Know your own preference scale.
Let the market decide.