

Succeeding at Failure



By Melanie Lockwood Herman

Executive Director

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I was tempted to leave the word "failure" out of the title for this week's *eNews* out of fear that a title touting failure might be disconcerting to some readers. But facing the fear of failure seems to be a hot topic these days. Earlier this month the *Harvard Business Review* released an entire issue devoted to various facets of failure (see "The Failure Issue," April 2011).

In her article, "Strategies For Learning From Failure," Harvard Business School professor Amy C. Edmondson writes about a "spectrum of reasons for failure." She notes the tendency to use a superficial approach to understand the *reasons* for failure and an overly simplistic process to understand how to *learn* from failure. On the topic of "why" we fail, Edmondson describes a spectrum of reasons—including some that warrant blame. Examples of "blameworthy" failures include when an individual "chooses to violate a prescribed process or practice" or when lack of attention causes a deviation from a required protocol. At the other end of the spectrum are failures that result from responsible risk-taking, which Edmondson labels "praiseworthy." Examples at this end of her spectrum include failures that result from reasonable actions in the face of uncertainty, and failures under experimentation designed to expand knowledge.

With respect to learning from failure, Edmondson writes that leaders "...believe that learning from it is pretty straightforward: Ask people to reflect on what they did wrong and exhort them to avoid similar mistakes in the future—or, better yet, assign a team to review and write a report on what happened and then distribute it throughout the organization." According to Edmondson, a thoughtful approach to learning from failure may require changing organizational culture to make it truly "safe to speak up" about mistakes and failures.

In his contribution to *The Failure Issue*, Mandalay Entertainment chairman and CEO Peter Guber writes about learning the importance of getting back up after being "knocked down" from heavyweight boxer Muhammad Ali. During a conversation with the prizefighter, Ali explained to Guber that when a fighter doesn't get back up after being knocked down he forfeits any possible chance of winning the fight. Guber's article closes with advice that is timely and relevant for any nonprofit leader who has felt the bruising sting of failure: "Failure is an inevitable cul-de-sac on the road to success. Keep taking risks-and always get back up."

Risk-taking and the occasional failure go hand in glove. Those who aspire to be effective in the ever-changing and always challenging nonprofit sector must learn to get back up, resist the temptation to "blame and shame," and commit to look beyond the outer layer of a failure for the deeper and more complex root causes. Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your ideas about any risk management topic, feedback on this article and questions about the Center's resources at <u>Melanie@nonprofitrisk.org</u> or 703.777.3504. The Center provides risk management tools and resources at <u>www.https://nonprofitrisk.org/</u> and offers <u>consulting assistance</u> to organizations unwilling to leave their missions to chance.