



The Ironies of Failure

Prepared by:
Dana Theus
InPower Consulting LLC

INTRODUCING

Lorman's New Approach to Continuing Education

ALL-ACCESS PASS

The All-Access Pass grants you **UNLIMITED** access to Lorman's ever-growing library of training resources:

- ✓ **Unlimited Live Webinars** - 110+ live webinars added every month
- ✓ **Unlimited OnDemands** - Over 3,900 courses available
- ✓ **Videos** - More than 1,900 available
- ✓ **Slide Decks** - More than 3,300 available
- ✓ **White Papers** - More than 2,000 available
- ✓ **Reports**
- ✓ **Articles**
- ✓ ... and much more!

Join the thousands of other pass-holders that have already trusted us for their professional development by choosing the All-Access Pass.



Get Your All-Access Pass Today!

SAVE 20%

Learn more: www.lorman.com/pass/?s=special20

Use Discount Code Q7014393 and Priority Code 18536 to receive the 20% AAP discount.

*Discount cannot be combined with any other discounts.

The Ironies of Failure

by Dana Theus

If we've read one "fail fast" article lately, we've read a million. ***Failure is an option! You can't succeed until you fail!*** The Lean Startup goes so far as to encourage experimentation on your customer base, with the goal of failure, so you can turn it around into success quickly.

There's merit to this approach, of course, and I happen to believe in the value of failure in the leader's repertoire of success tools – in part because we simply can't avoid it. But it's no wonder the average leader does their best to avoid and ignore failure when it happens.

We all love a good failure

The business press loves nothing more than to haul out any public failing and shout it from the rooftops.

Just in last week's feeds:

- CFO Blog: Advice to Netflix – Shut Up
- Reuters: Richard Li's financial alchemy fails to wow
- Solyndra CEO Resigns As Company Faces Questions From Lawmakers

This is basic human nature. People have a foundational fascination with watching someone else's demise, but we face

huge blind spots when it comes to our own situations. In fact, success is apparently the biggest predictor of failure.

Success breeds failure?

According to “Why Smart Executives Fail” by Sydney Finkelstein failure is usually the result of success and arrogance that breeds a willingness to ignore one’s own – and one’s company’s – vulnerabilities.

It’s easy to see the siren song of success as the precursor to disaster from the outside and after-the-fact, but I’ve been on the inside, too, and it is such a seductive situation. In 2000 we were a struggling startup and then we got a huge investment from another startup that had “made it.” We felt validated, breathed a little more easily, didn’t sweat the cash flow for a month or two, appeased our investors, set our sights on bigger markets, more employees, and longer sales cycles. We lost our paranoia.

This was in the boom right before the bust of 2011. But our investment was in stock, not cash, and guess what that became worth all too quickly?

Should good leaders be paranoid?

I don’t happen to think that paranoia is a healthy way to live life in general, so no, I don’t think good leaders are paranoids. But good leaders do understand the natural cycles of success – which must include failure.

Good leadership is about personal maturity as much as anything. The best leaders we evaluate with 40/40 hindsight as brilliant – Steve Jobs for example – all suffered tremendous and often public failure. They don't let failure or success stop them in their relentless pursuit of a personal vision of success and this allows them to ignore (or at least filter) the banterings of the echo chamber, which tend to get all caught up in the extreme ends of the cycle.

Leaders as Masters

The best of anything – especially leaders – learn to watch the cycles that crop up in everything they do; they learn to anticipate them, plan for them and ride the waves to minimize extreme results that knock the system out of balance. They master the cycles – primarily within themselves – and use this mastery to guide the system into more productive behavior – which hopefully looks like profits, jobs and value (not in that order).

This is a level of InPower – personal – mastery that requires some experience, but more than even experience, it requires wisdom. The potential lives in us all. [Are you tapping your reservoir of potential mastery?](#)

It's this level of mastery I'm interested in for myself and my executive coaching clients. Everything else gets you trapped inside the echo chamber.

What leaders have you admired who were masters of themselves and their businesses? Did success precede your most spectacular failure? What is the relationship of success and failure in your career? Has paranoia worked for you? How have you transformed failure into success?

The material appearing in this website is for informational purposes only and is not legal advice. Transmission of this information is not intended to create, and receipt does not constitute, an attorney-client relationship. The information provided herein is intended only as general information which may or may not reflect the most current developments. Although these materials may be prepared by professionals, they should not be used as a substitute for professional services. If legal or other professional advice is required, the services of a professional should be sought.

The opinions or viewpoints expressed herein do not necessarily reflect those of Lorman Education Services. All materials and content were prepared by persons and/or entities other than Lorman Education Services, and said other persons and/or entities are solely responsible for their content.

Any links to other websites are not intended to be referrals or endorsements of these sites. The links provided are maintained by the respective organizations, and they are solely responsible for the content of their own sites.