

The aim of these exercises is to assess how individuals and organizations deal with failure and how they can improve their ability to leverage failure to drive innovation, growth, resilience, competitive response, process, and more.

Based on the [Failure Value Cycle](#) framework developed by UC Berkeley professors Mark Coopersmith and John Danner, in the Amazon bestseller *The Other "F" Word*, Wiley, 2015

The Other "F" Word

Table number

FAILURE VALUE CYCLE

DISCUSSION GUIDELINES

Before starting: **select a moderator to keep time** and guide the discussion. No round of introduction.

ACTIVITY 1 (10 min)

INDIVIDUAL REFLECTION (2 min)

Think individually of a business failure you were a part of. Be prepared to describe what happened, why it happened, what you learned, and what you would do differently next time.

Note: A business failure could be a product launch that misfired, a project that did not go as planned, losing a key client, missing a technology or trend shift, underestimating a competitive response, being substantially late or over budget on a major initiative, etc. Feel free to leave out confidential parts.

DISCUSSION IN GROUPS OF 2-3 (8 min)

Each person shares his/her story (3-4 min per person)

- **What happened** and why?
- **What are the lessons learned** and what would you do differently?
- **How to put insights and experiences to work** for future initiatives?

Takeaway: for those of us willing to inspect and process our failures, there can be meaningful data, insights, and wisdom embedded in them. You can put this new knowledge to work to drive innovation, growth, competitive response, process, and more.

ACTIVITY 2 (35 min)

INDIVIDUAL ASSESSMENT (5 min)

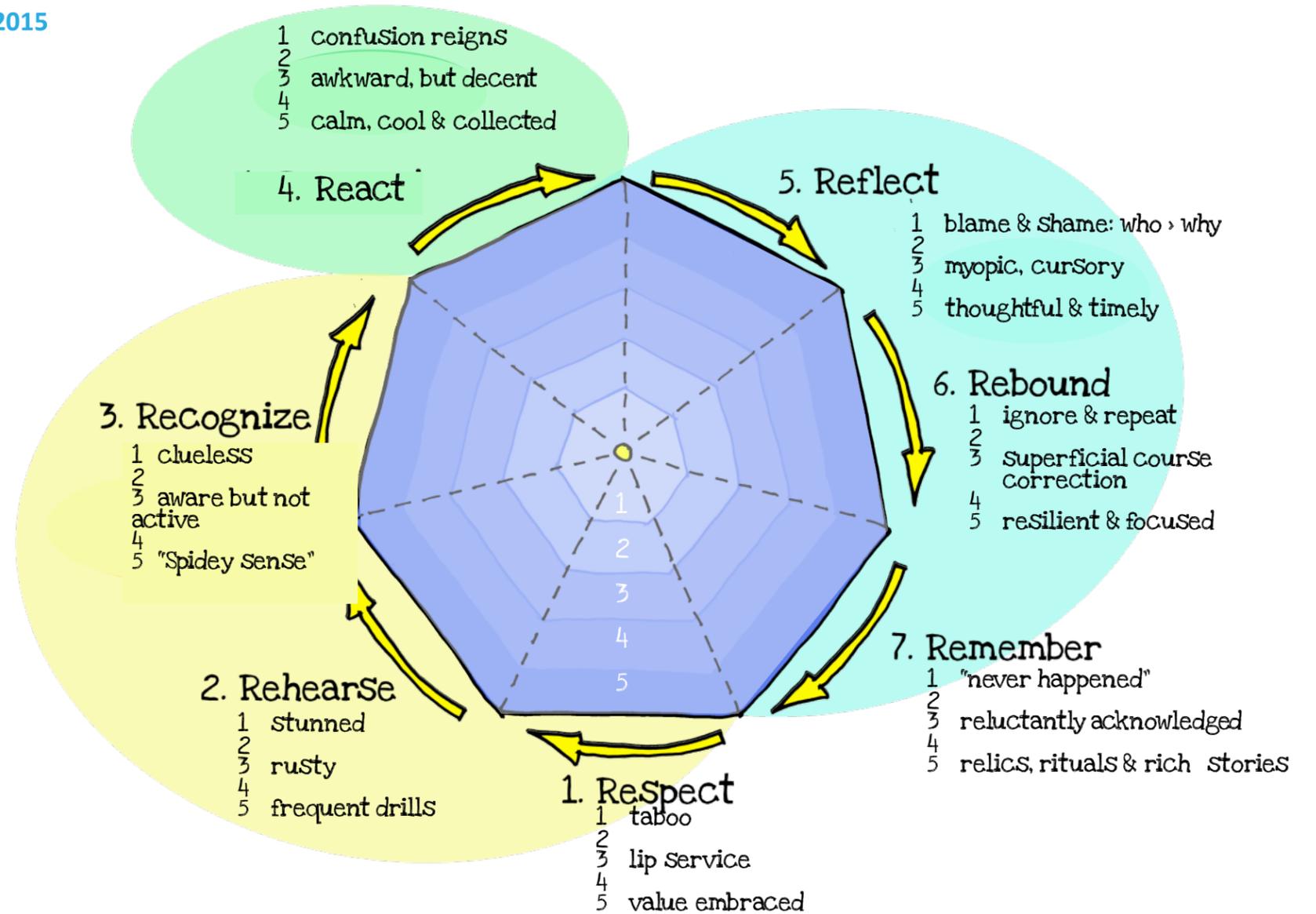
For each of the seven stages, evaluate how effectively you believe your organization deals with failure. This can be for your company overall, your division, or your specific operating unit.

(Rating 1: fill in the most central part of the slice; rating 5: fill in the whole slice)

GROUP DISCUSSION AT THE TABLE (30 min)

Share your assessments with one another and discuss where you think you perform particularly well or poorly in creating a productive relationship with failure. Look across all seven stages, and overall. Examine why some companies in the group score high where others score low.

- **Investigate elements** of culture, process, industry, strategy, and more
- **What can you do to improve** your performance in some of these areas?



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FAILURE VALUE CYCLE - GLOSSARY

1. Respect
Openness toward failure is necessary to make it a productive occurrence. How do you treat failure? Is it embraced and encouraged, or is it a taboo that is not acknowledged?

2. Rehearse
Failure must be prepared for in order to be adequately handled. How do you approach failure? Is there a process in place with prepared responses, or do you let failure half progress to a stop?

3. Recognize
Failure needs to be recognized internally

and even anticipated in advance. How do you treat failure? Is there an attitude of seeking out potential failures and monitoring operations, or is the potential of failure simply ignored?

4. React
When failure occurs, it can be chaotic and requires a calm response. How do you react to failure? Is it handled in a collected manner, or do you let it wreak havoc and simply stumble through it?

5. Reflect
After failure has been handled, it's important to consider its origin and implications. How do you reflect upon failure? Is there a tendency to learn from it, or is it

explained away and blame ascribed?

6. Rebound
Post-failure actions are crucial for the consequences failure have on the organization. How do you get back from failure? Is there a concerted effort to avoid a repeat and is the cause of failure well communicated, or is it ignored without any course correction?

7. Remember
Building up institutional memory of failure stories helps deal with future endeavors. How do you remember failure? Are stories shared and integrated into the organizational culture, or are they quickly forgotten and ignored?