

Failure Leads to Success in Enterprise 2.0 Adoption

Panelists



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- V. Mary Abraham, Counsel, Debevoise & Plimpton LLP (Moderator)

Agenda

- Why Talk About Failure?
- What's so Special about Enterprise 2.0?
- How to Use Failure for Good

"I have not failed. I've
just found 10,000 ways
that won't work."

~ Thomas Alva Edison



Innovation is the Point

- Plan to fail, again and again
- Mitigate the consequences
- Learn from the failures
- Even when the failure does not lead directly to a success, it should be used as a guidepost.

**The real secret to innovation is
failing fast.**

~Bill Gates

Why is Failure So Challenging?

- Because it's **failure**, or rather, it's perceived as anathematic to success - e.g. the iconography of project failure, the sad face :(
- In the adversarial culture of the law "failure" is generally equated with win / lose - as the destination, rather than a step along the way
- Clients are not paying lawyers for failure, nor are they paying for an exploratory process
- Failure in the legal process is often unrecoverable and almost always involves cost
- Processes/technology integral to client service are on the critical path
- In large "waterfall" projects one failure can stop/delay the whole
- In projects with a large element of change, those not in support of the change are looking for any failure (real or perceived) as a reason to remain with the status quo

Different Approaches to Failures

- The Grown-Up Approach
 - Acknowledgement of fault. Owning it is hard to do.
 - What did we do wrong?
 - How can we correct?
 - Provide back brief of how resolved or how learned from the failure.
- Duck and Cover Approach
 - Finger-pointing
 - The blame game
- The "My bad..." Approach
 - Indifference is NEVER good
 - Is it generational??

Different Failure Environments

- Fail-Proof
 - No failure tolerated.
 - Hard to innovate
- Fail-Safe
 - Failure minimized and managed
 - Client service can continue with minimal additional cost (in terms of time / money)
 - Time bound
- Safe-Fail
 - Failure expected and managed to facilitate innovation
 - Usually off critical-path

Methods for Experimentation & Safe Failure

The Expectations You Set Affect Perceptions of Failure

Setting Expectations

- Who are your end- users? Who are your decision makers?
- Speak their language. Use a "translator," if necessary.
- If it doesn't work the first two times, they will NOT try again. You've lost them.
- 80/20 Rule - use it when explaining.
- MJO Example
 - Taurus or a Cadillac
 - Have a "champion" who supports you

Put Failure in the Right Place

- **In Context :**

- Within a proof of concept or wrapped in a "beta"
 - We're admitting before we start this might be wrong
- and that's ok
 - Buy-in & acknowledgement that it might not work
- Within regular, short, communicated iterations (e.g. "Agile")
 - If it doesn't work, everyone's aware of when it will be fixed
- Within a controlled group who acknowledge the benefit of the end-game is worth the burden of the failure/work-around

Put Failure in the Right Place (2)

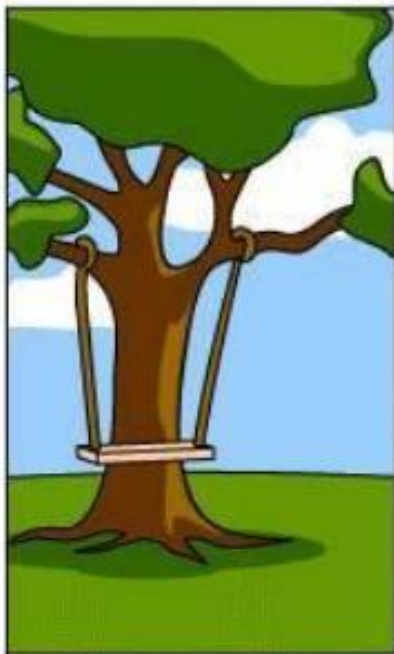


- Off the Critical Path (esp. of service delivery to clients) :
 - Seek to understand every use-case (intended or otherwise)
 - Ensure you understand the whole of the path for each use-case
 - Evaluate the path understanding how it may change under different conditions: e.g. at 2am, on a Sunday (etc)
 - Anything on the client-service path is critical
 - Provide a realistic work-around / contingency plan
- Not always possible

Process Matters



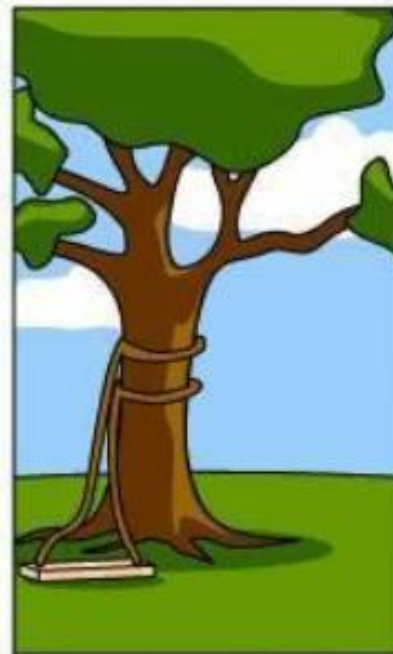
How the customer explained it



How the Project Leader understood it



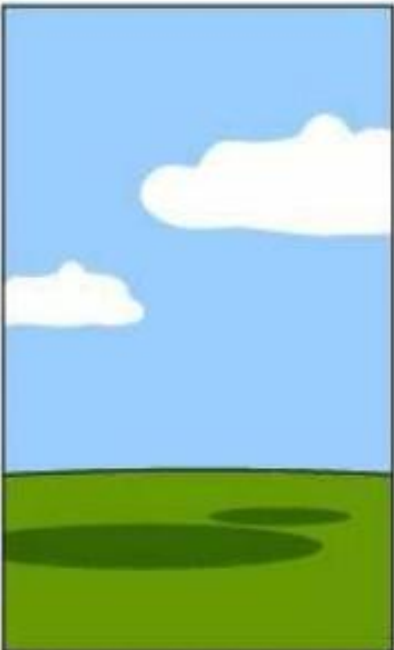
How the Analyst designed it



How the Programmer wrote it



How the Business Consultant described it



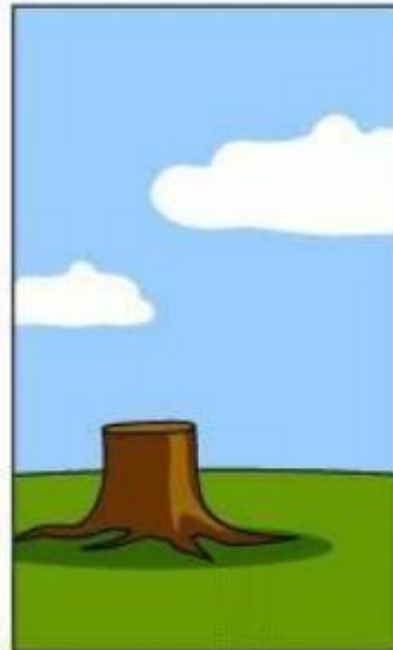
How the project was documented



What operations installed



How the customer was billed



How it was supported



What the customer really needed

Components of a Successful Development Process

- **Active listening**

- What is the client saying they want?
- Is there something the client needs that they can't articulate?
- What do we think they want?
- What do we think we can do?

Key to Successful Listening: Understanding of the business process

Components of a Successful Development Process (2)

- **Understand Core Strategy and Competency**
 - Does the idea align with our 3-5 year strategy?
 - Is the idea likely to yield meaningful results?

Components of a Successful Development Process (3)

- **Manage Expectations**

- Is the client/business team willing to iterate -- to participate in the experimentation?
- Will the client/business team devote time and energy to experiment and provide feedback?
- Does the client/business team have a thorough understanding of the value proposition?

Learning is Key

"Once we realize that imperfect understanding is the human condition, there is no shame in being wrong, only in failing to correct our mistakes."

~ George Soros

Knowing Failure

- To manage, mitigate or learn from failure you have to know it's occurred
- Important to set success criteria at every stage
- Think of criteria from the users' point of view not just the projects
- Think early about how you'll measure those criteria
- Silence is not success

Create Feedback Loops

- Create systems/processes that let you know quickly when failure happens
- Ensure end-users have an easy and reliable means of communicating with you
- Always acknowledge end-user communications and report back on any fixes
 - This lets users know that you're serious about fixing failure
 - It creates a culture of communication and learning
 - It reduces the risks that users will "talk trash" about your project

Constant Assessment Prevents Cascading Failure

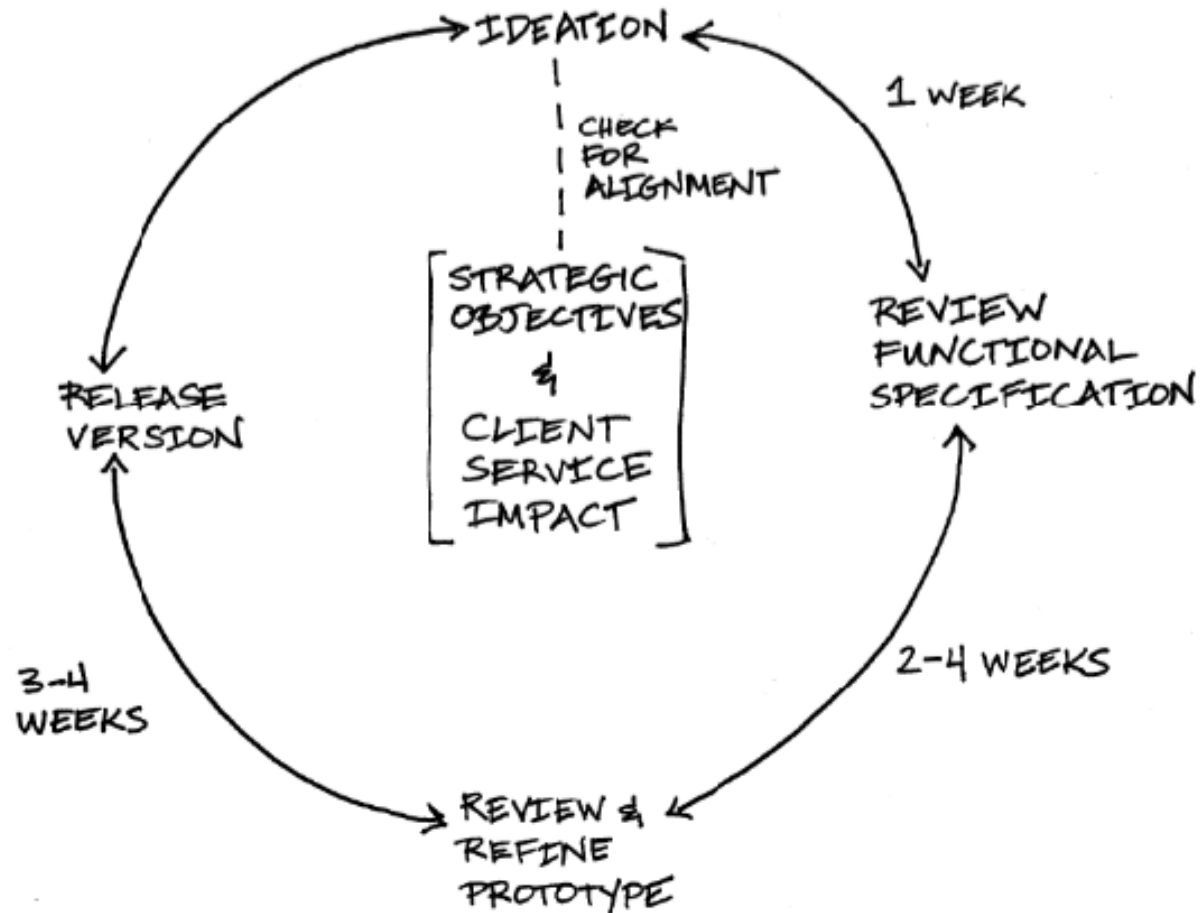
After Action Reviews

- A proven technique for learning and improvement
- Event focused professional discussion, focused on performance standards that enables people to discover for themselves what happened, and why, and how to sustain strengths and improve on weaknesses
- During or immediately after each event
- Focus on intended objectives and specific performance
- Involve all participants in the discussion – candid insights, professional decorum, dynamic dialogue
- Use open-ended questions
- Are related to specific standards
- Determine strengths and weaknesses
- Link performance to subsequent issues

After Action Review

What Happens in Vegas...

Iterative Development Process



Iterative Development Process

- Create a rough set of specifications
- Validate the specifications with the sponsors
- Build a functional prototype – focused on user interface
- Have the sponsors try the prototype and provide feedback to validate and/or enhance specification
- Deliver Version 1 and put a **BIG** beta label on it
- Plan for multiple, regular releases so that you can achieve continuous improvement until you reach your project goals

Quick Poll

- What type of failure environment do you work in?
 - Fail-Proof
 - Fail-Safe
 - Safe-Fail
- What's the failure approach among your colleagues?
 - Take responsibility and fix
 - Duck and Cover
 - Shrug and Walk On
- Does your department/group regularly do after action reviews?
- Does your department/group provide good feedback loops for end-users?

Quick Poll (2)

- What were your expectations for this session?
 - Looking for new ideas and approaches
 - Hoping stories of failure by others would make me feel better
 - Wanted a distraction while waiting for lunch
- Were your expectations met?

"Only those who dare to
fail greatly can ever
achieve greatly."

~ Robert F. Kennedy