



present

The Paradox of Success

Learning from Failure

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8:30am – 9:45am**

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THE PARADOX OF SUCCESS – LESSONS FROM FAILURE

A learning experience created by Kerry C. Stackpole, CAE

1.0 Introduction

Understanding failure creates the essential framework for successful change and innovation. But if not managed correctly, it can damage self-esteem and cripple your career trajectory. In this dynamic, interactive session, explore organizational decision-making, how to deal with failure, crisis management, leadership behavior, and the avoidance of preventable problems. Learn new leadership and coping skills to both manage and, when possible, avoid catastrophic failure.

Benefits and Learning Objectives

- Better understand how failures evolve.
- Have proactive strategies to prevent failures in organizations.
- Discern and proactively manage risks in today's increasingly complex environment.

If changing an unproductive habit, resolving a professional stumbling block or making mistakes were as simple as being aware of it, we'd all be living perfect lives. For most of us linear living is simply not possible, so we live messy, imperfect lives in which mistakes, shortcomings and outright failures stand alongside our most joyous, successful and exuberant lives.

Change has always been part of our landscape. To say so is almost cliché. What is less recognized and rarely acknowledged today is the velocity and complexity of change. Ad F. Scheepbouwer, CEO of KPN Telecom Netherlands points out that in telecommunications, "We have seen more change in the past ten years than in the previous 90." One of the results of this rapid influx of change is the equally rapid development of a change gap---the disparity between how much change is expected and how much leaders believe they can successfully handle. Research conducted by the IBM Corporation reports that between 2006 and 2008, the "change gap" jumped from 8% to 22% among CEO's responding to the survey.

The rapid pace of change creates fresh challenges throughout organizations as efforts are made to integrate a fast moving array of new technologies, market opportunities, and people skills. Technological advances are reshaping value propositions, influencing products and services and changing how organizations interact with their members and customers.

As specialized information businesses, associations and professional societies are well positioned to successfully get ahead of change and potentially drive it for their members and stakeholders. The key to doing so is to recognize that speed and urgency are the currency of the day. An imperfect swift decision may still offer greater benefits than a slow agonizing one when it comes to leveraging change, capturing new markets and expanding the influence of your organization.

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2.0 DECISION TREE

There is a challenging moments daily in every organization which most oftentimes arises within the decision-making process. As the old adage goes, “where you stand, depends directly on where you sit.” Each of us comes to the decision making process with our own experiences, bias and expectations. Assuming you were raised in a democratic society, the deep seated belief that you have a right to be heard might be one of your unconscious biases. There are dozens and dozens of others which left unexplored seed the ground for potential disaster.

With each of us makes dozens and dozens of decisions every day, it is easy to become complacent and overlook the incredibly complex dynamic that underlies each one. Many of our daily decisions are intuitive in nature---an apple is healthier than a candy bar. The interstate highway is slower in rush hour than surface streets. Revenues must exceed expenses to generate a profit. Our world is full of heuristics or “rules of thumb”. Write down three of yours:

Three Rules of Thumb:

To combat natural biases in decision making many organizations have expanded beyond mission and value statements to craft guiding principles intended to shape and influence individual and group decision making. The \$6.9 billion dollar Australian firm LendLease a leading retail and international property group under the leadership of Chairman Stuart Hornery did so in some extraordinary ways in the late 1990’s. Hornery put a sharp point on the effort saying “if guiding principles are genuinely held and practiced throughout the company will attract the best people to work for us, the quality of our work will attract the attention of customers, demand for our services will grow, and our global family will prosper---all of which contributes to delivering superior value for our shareholders.”

While we all understand not-for-profits do not have shareholders per se---clearly we do have stakeholders---members, legislators, regulators, communities and the public which we are obligated to serve by delivering superior value, however we choose to define it.

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3.0 SYSTEMS THINKING

When it comes to understanding the complexity of change and decision looking carefully at systems thinking and systems theory can offer a valuable framework for understanding. Working from this framework offers the opportunity to examine your decision-making in the context of the whole system, recurring patterns and their relationship to sub-systems in motion throughout the organization.

How many times have you or your department made a decision only to discover that while you have successfully solved the problem for your team, your decision has created an entirely different set of problems for someone or some other department?

System thinking encourages you to view your organization systems from a broad perspective including overall structures, patterns and cycles, rather than seeing only specific events. Doing so oftentimes helps quickly identify the real causes of issues in your organization and better understand where to apply yourself to address them. Systems thinking focuses on the entire system, helping you work to identify solutions that address as many problems as possible throughout your organization. The effect of those solutions is that they leverage improvement throughout the system.

When it comes to personal decision making another sort of system is in play and it too relies on a broader understanding of your own experiences, preferences and biases. When we make day-to-day choices, most everyone utilizes two types or systems of thinking”

System 1 Thinking – That’s our most intuitive form of thinking. We use it unconsciously in most cases and we rely on it to guide us through much of our day.

The second was the more conscious, thoughtful sort known as;

System 2 Thinking - This is our slower, more conscious, effortful, and logical means of thinking. When you are carefully considering options, you are using System 2 thinking.

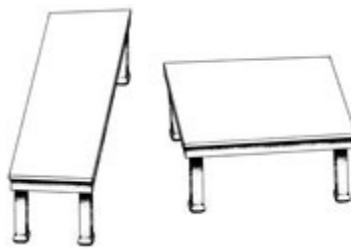
One of the greatest challenges busy people, especially managers and leaders face is the tendency or habit of falling back on Systems 1 thinking, when a Systems 2 analysis would really be far more productive and beneficial.

When you consider your day-to-day life, which system do you rely upon more?

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4.0 Intuition Versus Analysis

So what does any of this have to do with learning from failure? Most of us believe we are capable of distinguishing between situations in which we can safely rely on intuition from those that require more careful thought—but often we are wrong. In fact, most of us trust our intuition more than evidence suggests that we should. Look at the following diagram from Roger Shepard's book *Mind Sights: Original Visual Illusions, Ambiguities, and Other Anomalies* (W. H. Freeman, 1990):



(Shepard 1990)

How do the two tables compare in size and shape?

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5.0 Inattention and Failure

Failure does not occur in a vacuum. In most instances, a failure is the result of several, perhaps dozens or even hundreds of decisions and choices made along the way. Sometimes those decisions are sufficient to avoid outright failure but just barely sufficient to create success. One of the great failures of leadership and management is that we tend to recognize and reward outcomes without much regard to the decisions leading up to achieving those results. How much better would our successes or outcomes have been, if we had improved and assessed the quality of our decision-making along the way? Creating a culture in which your team and colleagues invest time to think, decide, and assess their actions is vital to the healthy operation of your organization.

Thomas J. Watson, the founder of IBM when asked about success replied, “Would you like me to give you a formula for... success? It's quite simple, really. Double your rate of failure. You're thinking of failure as the enemy of success. But it isn't at all... you can be discouraged by failure -- or you can learn from it. So go ahead and make mistakes. Make all you can. Because, remember that's where you'll find success. On the far side.”

The greatest shortfall of failure is simply our own personal unwillingness to learn from our own experiences and those of others. While many are reluctant to engage in a systematic study of failure, in truth there is a treasure trove of insight to be gained from exploring and understanding the situation, circumstances, personalities and mind-sets experienced by others in their most pressing moments of failure.

How many times have you heard someone say, “I didn't see it coming” or “I knew that would happen” following a significant event or failure? It's easy to understand how people might think that way, especially in light of newly emerging research on cognitive behavior and thinking of adults. “We miss things simply because we aren't looking at them.” writes Drake Bennett in his article *How Magicians Control Your Mind* published in the Boston Sunday Globe (August 3, 2008).

The article cites recent research by Gustav Kuhn, Alym Amlani and Ronald A. Resnik which offers insightful lessons about magic and the human mind including the ability to control attention, to distort perception, and to influence choice. In their paper *Toward a Science of Magic*, the authors argue that the time has come to examine the scientific bases behind such phenomena.

If the idea of using magic tricks as a means to understanding failure strikes you as a “stretch” you may want to reconsider. There is a growing library of research supporting the notion that some of our human abilities act to inhibit our certain understanding rather than expanding our grasp of information.

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One example from our friends at the Human Factors and Ergonomics Society reports that cell phone distraction causes 2,600 deaths and 330,000 injuries in the United States every year. "If you put a 20-year-old driver behind the wheel with a cell phone, their reaction times are the same as a 70-year-old driver who is not using a cell phone," said University of Utah psychology professor David Strayer. "It's like instantly aging a large number of drivers."

Can meaningful studies on effective multi-tasking be far behind? No, as it turns out. According to a study published in the Proceedings of the National Academy of Sciences "Multi-tasking adversely affects how you learn," said Russell Poldrack, UCLA associate professor of psychology and co-author of the study. "Even if you learn while multi-tasking, that learning is less flexible and more specialized, so you cannot retrieve the information as easily. Our study shows that to the degree you can learn while multi-tasking, you will use different brain systems. Our results suggest that learning facts and concepts will be worse if you learn them while you're distracted."

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6.0 Resilience

Recovering from failure requires sufficient strength and capability to maintain your sense of well being while managing the stresses brought about by failure. The term most often used to describe this circumstance is resilience. *The Road to Resilience*, a publication of the American Psychological Association and the Discovery Health Channel, offers a useful definition. "Resilience is the process of adapting well in the face of adversity, trauma, tragedy, threats, or even significant sources of stress -- such as family and relationship problems, serious health problems, or workplace and financial stressors. It means "bouncing back" from difficult experiences."

The Road to Resilience offers several useful suggestions for ways to strengthen and build your own personal resilience:

Make connections. Good relationships with close family members, friends, or others are important. Accepting help and support from those who care about you and will listen to you strengthens resilience. Some people find that being active in civic groups, faith-based organizations, or other local groups provides social support and can help with reclaiming hope. Assisting others in their time of need also can benefit the helper.

Avoid seeing crises as insurmountable problems. You can't change the fact that highly stressful events happen, but you can change how you interpret and respond to these events. Try looking beyond the present to how future circumstances may be a little better. Note any subtle ways in which you might already feel somewhat better as you deal with difficult situations.

Accept that change is a part of living. Certain goals may no longer be attainable as a result of adverse situations. Accepting circumstances that cannot be changed can help you focus on circumstances that you can alter.

Move toward your goals. Develop some realistic goals. Do something regularly -- even if it seems like a small accomplishment -- that enables you to move toward your goals. Instead of focusing on tasks that seem unachievable, ask yourself, "What's one thing I know I can accomplish today that helps me move in the direction I want to go?"

THE PARADOX OF SUCCESS – LESSONS FROM FAILURE

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Take decisive actions. Act on adverse situations as much as you can. Take decisive actions, rather than detaching completely from problems and stresses and wishing they would just go away.

Look for opportunities for self-discovery. People often learn something about themselves and may find that they have grown in some respect as a result of their struggle with loss. Many people who have experienced tragedies and hardship have reported better relationships, greater sense of strength even while feeling vulnerable, increased sense of self-worth, a more developed spirituality, and heightened appreciation for life.

Nurture a positive view of yourself. Developing confidence in your ability to solve problems and trusting your instincts helps build resilience.

Keep things in perspective. Even when facing very painful events, try to consider the stressful situation in a broader context and keep a long-term perspective. Avoid blowing the event out of proportion.

Maintain a hopeful outlook. An optimistic outlook enables you to expect that good things will happen in your life. Try visualizing what you want, rather than worrying about what you fear.

Take care of yourself. Pay attention to your own needs and feelings. Engage in activities that you enjoy and find relaxing. Exercise regularly. Taking care of yourself helps to keep your mind and body primed to deal with situations that require resilience.

Additional ways of strengthening resilience may be helpful. For example, some people write about their deepest thoughts and feelings related to trauma or other stressful events in their life. Meditation and spiritual practices help some people build connections and restore hope.

The key is to identify ways that are likely to work well for you as part of your own personal strategy for fostering resilience.

Source: American Psychological Association - http://www.apahelpcenter.org/dl/the_road_to_resilience.pdf

ABOUT KERRY C. STACKPOLE, Ed.M., CAE IOM

Mr. Stackpole served is founder and CEO of Neoterica Partners, a leadership and strategy consulting firm located in McLean, Virginia. Neoterica Partners delivers professional leadership, strategic planning and interim CEO services to associations, foundations and professional societies. Among the firm's clients are leading associations' in tax & financial services, engineering, publishing, hospitality, advertising, catering, emergency medical services, technology, small business, manufacturing and technology.

A tenured association executive, Mr. Stackpole has served as interim chief executive of six organizations and as president/CEO and senior executive of four other not-for-profit organizations and foundations in custom manufacturing, electronic imaging, entrepreneurial ventures, and communications technology.

During that time, he also served as a volunteer leader and was elected chairman of the Board of Directors of the New England Society of Association Executives. He is an active member of the American Society of Association Executives (ASAE) and the Center for Association Leadership where he is a frequent contributor to association publications and content leader on association leadership, management and marketing issues. He has served on numerous committees including as chairman of the ASAE Executive Management Section Council and the Associations Advance America Campaign and as a National Board Member.

He is a Fellow of the American Society of Association Executives, holds the earned designation of Certified Association Executive (CAE) and is a graduate of the United States Chamber of Commerce Institute of Organization Management (IOM). Mr. Stackpole serves as a co-facilitator for the ASAE and the Center's Future Leaders program and has also taught event & meetings management for the Continuing Studies program at Bentley College. He received his Masters in Education degree in management and organization development from Cambridge College.

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