

DO BUSINESS FASTER™

Jim's Profit Accelerator 17: What Can Failure Do for You?

Ford CEO Alan Mulally behaved radically to kick-start Ford's recovery: At the annual company meeting of the top 500 leaders, he included in the many awards a special, first-of-its kind award: Failure of the Year. Mulally called out the winner and invited him on stage to receive his award — and to underline his commitment to *trying radically*, even when it leads to failure.

Of course the quiet buzz in organizations pushes for success; it must. But in doing so, the underlying message often becomes this: "Don't fail." Unfortunately, the commitment to not failing cannot live with the commitment to innovate radically; one always eats the other. This is one reason that it's easy to talk about innovation but so difficult to actually do it.

So how can you encourage your workforce to stop playing it safe and ramp up problem solving to full-fledged innovation? Instead of speeches, look closely at how you and your top leaders react to failure, because all your people are watching. Here's a 2-step process that works:

1. Acknowledge the failure.
2. Encourage the effort, not the result.

Here's the language:

"That didn't work like we hoped, did it? Nice job of analyzing the problem. Your answer sure made sense. Keep on thinking and trying your best ideas. We'll make progress that way."

Or:

"That one didn't do so well, did it? I like how you dug down to see what was really going on. That's a great approach. I can't wait to see what you dig up next!"

You'll be applauding the results, and your people will love it!

Call me.

For more information, visit www.grewco.com.

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger and Accelerator. Jim helps leaders swiftly discover the hidden opportunities within their businesses and exploit them for dramatic results. Nearly three decades of success as a COO and CEO coupled with his experience running nine thriving businesses provide the foundation for his consulting work as president of the Grew Company. He presents regularly to industry groups, mentors business leaders, and shares insights on his blog, BizBursts.com: <http://bizbursts.com/>. He holds BA and MBA degrees from Stanford University.

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