

## Eight Steps To Reframe Failure

*Common wisdom says that failure leads to growth, but all too often it is punished in big business. How can we go about removing the stigma from human error?*



*CEO Today hears from Sunita Malhotra, Professor at Louvain School of Management in Belgium and contributor to the new [CEMS Guide to Leadership in a Post-COVID-19 World](#).*

Failure is a word with which leaders are all too familiar. Being a ‘failure’ is a label that no employee wants to be tarnished with.

However, the new [CEMS Guide to Leadership in a Post-COVID-19 World](#), which makes recommendations for leaders, educators and professionals to help them thrive post-pandemic, has found that the crisis has accelerated a shift in leadership within organisations – to something more tolerant, empathetic and human. The key for leaders will be building psychological safety for people to be their best selves and to thrive under pressure, safeguarding engagement, productivity, innovation and prosperity in this new normal.

The report finds that a critical element of building psychological safety is tolerance of failure and the ability to reframe it as learning; empowering people to experiment, try new approaches, build new skills and accept responsibility without blame.

Here are 8 steps that you, as a leader, can take to reframe failure, in order to build a culture of psychological safety:

# 1. Define failure

When you see a small child walking with a glass full of water, a natural reaction is to say, “be careful, you’ll drop it everywhere” and snatch it from them, rather than encourage them to “take it step-by-step”. Metaphorically, your people will never learn how to ‘carry their own water’ if you only ever focus on the negatives of failure. In fact, most organisations talk about failure without defining what it is in the first place! Often failure implies bad, which kills the organisation and stunts growth. Instead, when you define failure as learning, that is where the growth begins.

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# 2. Frame it (and reframe it again)

Once you define failure, keep talking about what it means in practice. When projects haven’t worked, conduct a ‘root cause analysis’ to define what went well and what didn’t go quite so well (not went ‘wrong’). [Professor Amy Edmondson](#) talks of a spectrum of reasons for failure: sometimes you are negligent, sometimes you make a mistake, sometimes you take a risk that doesn’t work out. When you enter an executive committee, always make a habit of saying what worked, what could have been different and crucially what you have learned for the future. If someone comes to you saying they have failed, reply: “you didn’t fail, you just...” It may be that they need more data, or to make a minor adjustment.

# 3. Unboss

I swear by the book [Unboss by Lars Kolind and Jacob Bøtter](#) because it is so appropriate, particularly in post-pandemic times. The premise is simple: give people passion and purpose in their work and they will thrive. Banish fear of failure and instead say: “you are in charge, you are smart, I trust you.” The more psychologically safe the environment you create for people, the more risks they will take and the more you will be able to unboss them. [Novartis](#) is a great example of a company currently on the ‘unbossing’ journey.

# 4. Create the right culture

To create the right culture, in which failure is a learning experience, there are practical things you can do which can be rewarded and embedded into company processes, such as recruitment and performance management. Make peer feedback an institutional part of team meetings, where people bring struggles to the table. Reverse mentor – a very practical way as a senior person to learn whilst creating a safe environment for juniors. Storytelling is another essential part of culture change – the more anecdotes you can give, not only about success, but also what didn’t go according to plan, the more psychologically safe your

culture will become. Audrey Clegg, Group Talent Director at Coca Cola Hellenic, in [her contribution to the CEMS Guide](#), describes that her company has “seen a move away from ‘corporate speak’ to a more authentic style of leadership – more of us sharing personal stories with our teams.” She writes that “to be effective leaders, we need to be real people, not superheroes: we face similar issues to the people we serve, we have the same ups and downs.”

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## 5. Change your language

Banish negative rhetoric within your organisation, placing positive language at the very heart of your organisational culture and processes, which always seeks improvement. For example, eliminate the word ‘failure’ (or even the phrase ‘what went wrong?’) from your vocabulary. Instead ask “what can we learn?” Don’t ask “who did it?” Instead ask “what happened and what can we take from this experience for the future?” Often mistakes aren’t anyone’s fault.

## 6. Search yourself

If you feel that as a CEO you are afraid of failure and risk-taking yourself, make sure you sit down and ask yourself searching questions. *What does failure mean to me personally and when do I feel I have failed in my own career?* That is where the fear starts. Once you know your own values, strengths and weaknesses, it makes it far easier to share your own story and be tolerant of others’ mistakes.

## 7. Build trust

It takes time and hard work to build a culture of trust, in which people no longer see failure as a bad thing. A CEO I work closely with once told his 500 employees: “go and take one risk each month, bearing in mind it should be good for the business, get the results, then come back and tell us about it.” In the first few months, when people came to him to ask his permission to implement changes, he reframed things to create psychological safety, saying: “no, I trust your instincts, go take that risk, then come back to me.” By letting them know that he had their backs, over a long period of time, his employees felt less afraid of failure and more able to take their own initiative. The result was an engaged, happy and productive workforce.

## 8. Repeat

Make sure you carry out these steps again and again. Don’t backtrack. The key to reframing failure is to remain consistent in your approach to building a psychologically safe environment, in which failure is seen as a learning experience and in which strategic risk taking is both encouraged and rewarded.

