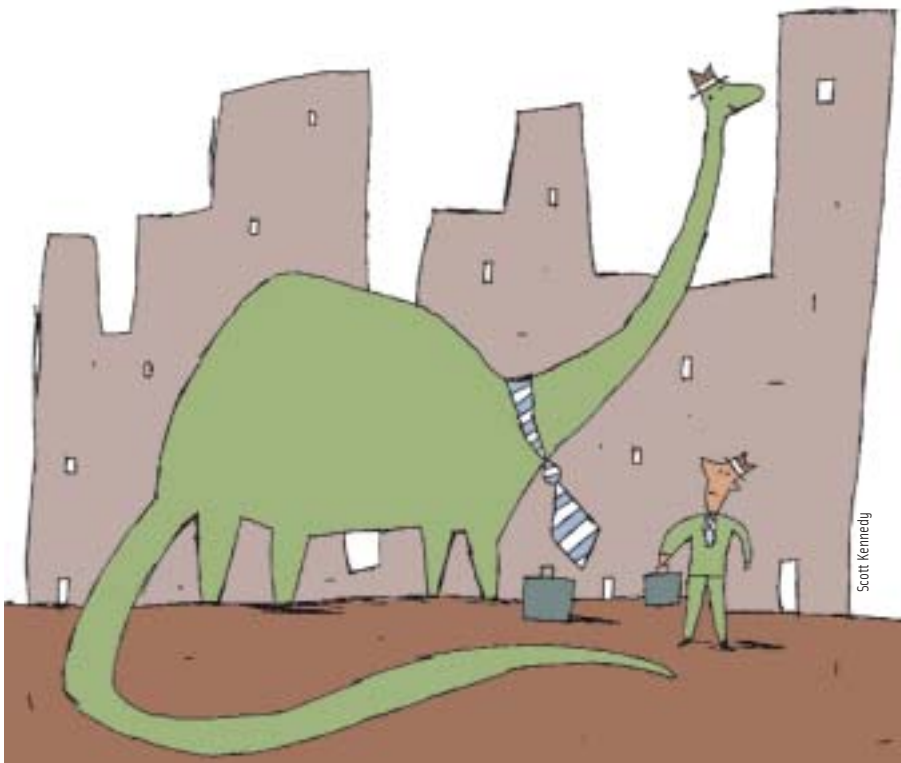


Understanding failure and success

by Ed Bernacki



WHAT MAKES ORGANISATIONS successful and profitable in the long run? This is the most looked at question in all of management literature.

Millions of dollars have been spent to research this question. Is the answer the Holy Grail of business or is it possible to solve this enigma?

There seems to be two different approaches to answer this question. One reflects the traditional management approach of looking for the secrets by studying what successful companies do and don't do. We are told, "Follow the key successful factors for other organisations and you too will succeed". Perhaps the first super book in this category was Tom Peter's *In Search of Excellence*.

The other approach starts at a more philosophical basis. This was outlined very well recently in a speech I read by the head of Singapore's civil service, Lim Siong Guan, at the launch of a new innovation programme. He outlined three main reasons for the failure of institutions and even societies:

- failure to learn from the past
- failure to adapt to the present
- failure to anticipate the future.

He says the worst failure is the failure to anticipate the future. If we need a road map to find the direction we should head, every retreat and planning session should start with these three simple questions.

How can we learn from the past?

How does your organisation learn from its mistakes, and even better, the mistakes of others? What is put in place to ensure that the lessons learned in investing time and money into projects, strategies and ideas that did not work are not lost? There is value in the insights gained from errors. How do you learn from customer mistakes and success? The simple solution is to ensure that we stop, reflect, and look at what worked and what didn't.

How should we adapt to the present?

How does your organisation tackle today's challenges? Does the organisation create the time to take the lessons from the past to recognise today's challenges. If so, does it actively and deliberately tackle them? I believe

a significant issue for many companies is that they do not adapt well to present conditions because they lack the discipline and insights to recognise the necessary changes.

How do we anticipate the future?

Those organisations and individuals that lead the way have a strong sense of the future. While no one is a fortune-teller, some people seem to be in front of the market. Many companies are investing the time and resources to look for new directions, ideas and innovations.

It takes new skills to review our successes and failures, to adapt to today's challenges, and to look to the horizon to see what's possible. This is the essence of an innovative organisation. It anticipates and responds to change rather than waiting to react when change has already happened.

One of the strongest solutions I have seen comes from the Singapore Civil Service. Its goal is to help people become innovative thinkers. To support people, it developed a major training programme made up of five important aspects of innovative thinking. These are:

- generating ideas
- harvesting and developing ideas
- evaluating and judging ideas
- marketing and communicating new ideas
- implementing ideas.

Take the time to reflect on the three challenges set out earlier. Prior to your next planning session, give your team a one-page overview of them and tell people to come prepared to discuss the big issues for their area of responsibility. You may discover that you have a wealth of insights already. Alternatively, you may discover how little knowledge your organisation actually has about the future. Both results are valuable but your actions will be different.

Ed Bernacki is an ideas champion. He started The Idea Factory to work with people to find and action new ideas. His latest book, "Wow! That's a Great Idea!" is available at book shops or by downloading an order form at www.ideafactory.com.au