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Failure Culture Misunderstood

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There are few things that - at least spontaneously - meet with such broad approval as the call for a culture of failure. But what is meant by this and why do so many people and companies want a culture of failure? There may be various reasons for this.

Is it the call for leniency because, after all, everyone makes mistakes, and it seems too harsh to brand what is nevertheless unavoidable in order to avoid conflicts? If so, the culture of failure protects those who cause failures, not the causes of them. However, experience teaches, that the distinction between causer and cause is a challenge for many - all too often, factual corrections are mixed with personal criticism.

Or is there an efficiency drive behind the call for an failure culture? Covered-up failures can

cost far more than failures that are openly communicated and can therefore be remedied or corrected, at least within limits. This reason is an essential part of e.g. lean management.

The hypothesis that failures are necessary fuel, or at least catalysts of learning, can also be the reason for wanting an failure culture. In this case, mistakes or the refutation of hypotheses are more or less desirable, but in any case, they are taken into account.

Another reason for the call for an failure culture may be the anxiety of the paralyzing fear of sanctions or loss of prestige, which is supposed to be alleviated by an appreciative and constructive approach to failures or to those who cause them. Such approaches follow the principle of „nothing ventured, nothing gained.“ However, it is then important to distinguish between the courage to consciously take well-calculated risks on the one hand and to anticipate recklessness on the other.

What is a mistake in the organization?

Understanding the dominant reasons in one's own company is an important first step in establishing a good failure culture. However, it is then also necessary to understand what exactly represents an failure.

Is an failure the deviation from a target, regardless of whether a target is achieved or not? Or is an failure the failure to achieve a goal, regardless of whether all specifications were met along the way to the goal?

Or is an failure when desired goals are not achieved because it turns out in retrospect that the cause-and-effect hypotheses underlying the action have not been confirmed or delibera-



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tely accepted risks have occurred? And if so, is there a distinction to be made between failure and a lack of care in making such hypotheses or assessing risks?

Whatever the answers to these questions, does the pursuit of freedom from failure actually conflict with the culture of failure? What distinguishes tolerable failures from those that are unacceptable under any circumstances? And if one man's joy is another man's sorrow, is the benefit of an failure culture, for example so-called psychological safeness or a future failure, or avoidable learning progress, offset against its cost?

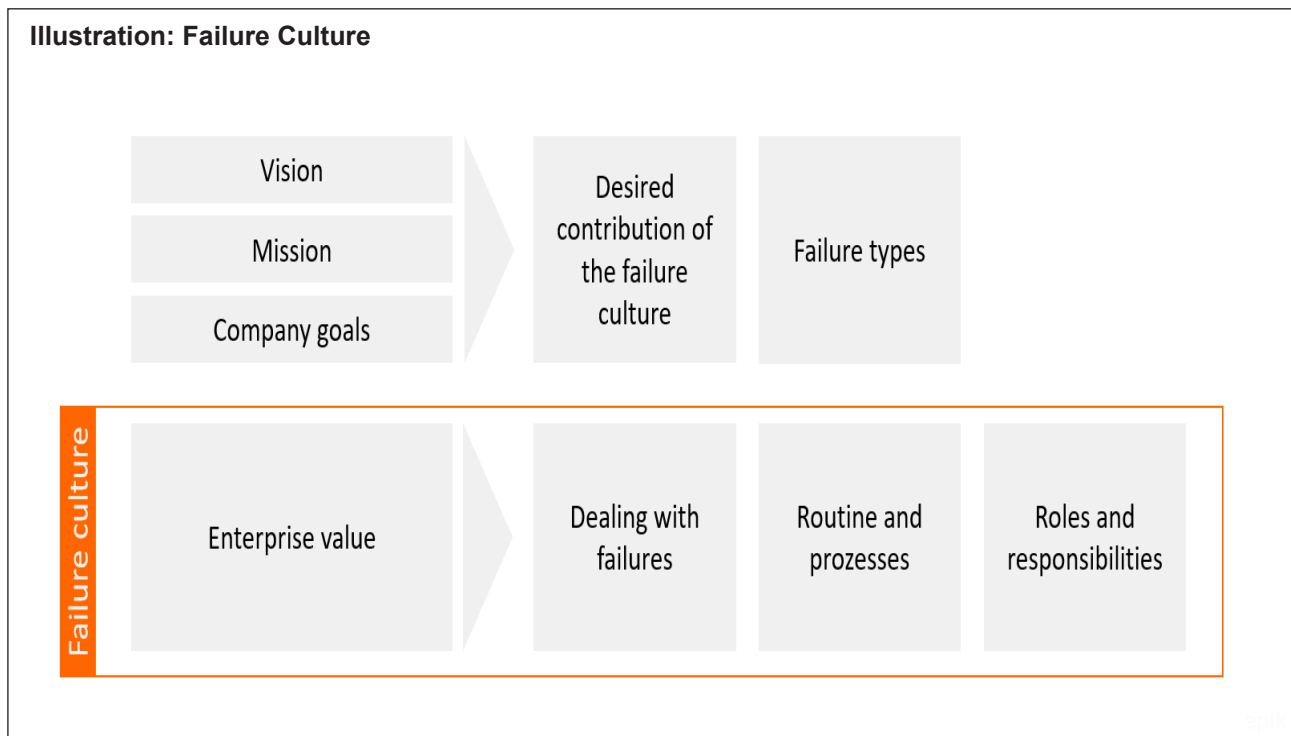
What constitutes a good failure culture?

Finally, in third place is the question of how to deal with the different types of failures and their causes. These rules, which are derived from goals and values, and which result in routines and processes, ultimately describe what can be called an failure culture.

The discussion of the questions posed at the beginning shows that there cannot be one, and certainly not the one, correct failure culture. As uncomfortable or seemingly complicated as it may be, it follows from the above considerations that - even though culture is often linked to less hard issues - several questions should be answered if companies want to operationalize and embed an failure culture that is right for them. Without this systematic preparation, failure culture easily becomes a self-exculpatory mistake.

Distinctions between companies, but also between individual processes or areas, are essential. For example, airlines should or must have a zero-failure culture in passenger transportation, or healthcare providers in software services, but may be more generous with failures in luggage transportation or design, if only for reasons of economy.

So, if an failure culture is to serve to systematically create knowledge, it is worth taking





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a look at science. There, one of the purposes of experiments is learning. The first thing that is needed is hypotheses about relationships. Regardless of the context in an organization, there are numerous and also tested theories about potential causal relationships that can be used on a case-by-case basis. Secondly, it is crucial for an application to ask from which perspective one wants to look at a topic in order to select an appropriate theory based on this. This saves a lot of time- and cost-intensive explorative conjecture based only on one's own experience. Thirdly, the theories must then be tested in one's own context to determine exactly which aspects are relevant and with what effect. Learning is then no coincidence.

In business areas with high uncertainty, but relatively negligible consequences for customers due to failures, it leads to a paralysis of the organization if failures are not specifically allowed. Explicitly, this applies to change, as it leads to new conditions that increase the potential for potential failures. Here the paradox applies that mistakes should be allowed in order to make fewer mistakes in the future and to be able to develop the organization further.