



The Effective Organization

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At Home To Mr. Cockup

When I first started studying jujitsu, my sensei told us that the secret to success was to make mistakes. He was often more insistent that we keep notes on our mistakes than on the techniques we executed successfully. Over the years, I've found that he had a point: to get past the basics and actually develop a deeper understanding of the martial art, one has to be willing to make a lot of mistakes.

When I speak or write on creativity and innovation, what upsets business leaders the most is the recommendation that they need to make more mistakes. Quite simply, companies that tolerate flashy, expensive mistakes are also the companies that are most likely to come up with the successful, unusual products. Big success requires a willingness to fail. Yet, what I hear over and over can best be expressed by a quote from Rowan Atkinson in the British comedy, Blackadder: "We are not at home to Mr. Cockup."

Michael Jordan once said, "I've missed more than 9000 shots in my career. I've lost almost 300 games. 26 times I've been trusted to take the game-winning shot -- and missed. I've failed over and over and over again in my life. And that is why I succeed."

When it comes to basketball, Mr. Jordan is no slouch.

Nicholas Darvas once estimated that he lost money on at least half of his stock purchases. Nicholas Darvas also made many millions of dollars on the stock market, becoming one of the most successful investors of all time.

Back in the 1990s, Apple came out with a PDA called the Apple Newton. It was a miserable flop. Many people were busy writing Apple off, assuming that was the end of the company. Instead, we have the iPod Touch and the iPhone.

Being at home to Mr. Cockup appeared to work out pretty well in the end.

We are taught in school that we must avoid mistakes. Mistakes mean a lower grade, potential failure, and so forth. In business, mistakes cost money and wasting money is a cardinal sin. Mistakes, in short, are **bad**. If nothing is learned from losing money on a mistake, only then is it a waste. Nicholas Darvas lost many thousands of dollars before he made his tens of millions of dollars.

But no mistakes means no failure, right? Wrong. Apple's iPod revolutionized the music industry and made Apple a major player in

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the music (and mobile phone) business. Those who depended on the status quo are now playing catch-up.

It is certainly true that once a product is designed and debugged, the goal is to actually produce that product with a minimum of error. However, the process of creating a new product or service is, by necessity, one of exploration and experimentation.

The key is not to avoid mistakes but to learn how to make mistakes useful and learn how to recognize them early. Nicholas Darvas never stopped making mistakes, he merely learned how to recognize them quickly and dump a losing stock before it hurt him.

How does a business go about learning to make useful mistakes?

1. Start by defining what success looks like. This may be vague at first. Vagueness means that you need to do further investigation and experimentation to develop a clearer picture of what your final result should look like. Some of that experimentation will be “mistaken,” in that it will tell you what you don’t want to do.
2. Develop a roadmap to get you from where you are to where you want to go. It helps to work backward from your destination.
3. Define checkpoints along your path. It’s important to know whether you’re on the right road or if you’ve forgotten to take a left at Albuquerque. Your checkpoints need to be frequent enough to allow you to course correct before expending major resources, but infrequent enough to allow for enough information to be

collected to make a good decision.

4. At each checkpoint, evaluate and adjust, don’t judge and punish. If you’re on track, great! If you’re ahead of schedule, what other opportunities and options are now available? If you’re off track, what have you learned? Are some of your assumptions flawed? Do you need more resources? What do the members of your team need to succeed? How can you help them?
5. Periodically make sure that the path you are on is actually getting you where you want to go. Even if you’re hitting your checkpoints, have you learned something new or discovered something unanticipated? If you have to course correct, it’s better to do it early than get to the end and discover that your product won’t sell.

Does your organization have room for Mr. Cockup?

About 7 Steps Ahead



Stephen R. Balzac is a consultant, professional speaker and president of 7 Steps Ahead, specializing in helping businesses increase revenue and grow their client base.

Steve has over twenty years of experience in the high tech industry and is the former Director of Operations for Silicon Genetics, in Redwood City, CA.

He serves on the boards of the New England Society of Applied Psychology (NESAP) and the Society of Professional Consultants (SPC). Steve is a member of the Operations Committee of the American Judo & Jujitsu Federation. No stranger to the challenges of achieving peak performance under competitive and stressful conditions, he holds a fourth degree black belt in jujitsu and is a former nationally ranked competitive fencer. Steve is an adjunct professor of Industrial/Organizational Psychology and has been a guest lecturer at MIT and WPI.

Building effective development organizations, improving team morale, focus, and enthusiasm, developing effective communications between team members, reducing employee turnover, helping businesses identify and attain strategic targets, and applying sport psychology techniques to business have been some of his most successful projects.

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