

Harford asserts companies must not be afraid of failing

Ultimate success is almost always built on prolific failure.

If "Adapt: Why Success Always Starts with Failure," the new book by Tim Harford, had to be summed up in just one sentence, that would probably work as well as any.

"Whatever its source, we need that willingness to risk failure," Harford writes. "Without it, we will never truly succeed. Experimenting can be a frightening process. We are constantly making mistakes, not knowing whether we are on the right lines."

Tim Harford is a visiting fellow at Cass Business School in London and at Nuffield College in Oxford. He writes a weekly column for the Financial Times and has contributed articles to Esquire, Forbes, Wired, The Washington Post and New York magazine. He has also worked for the World Bank, Shell Oil Co. and the BBC; in 2006, he won the Bastiat prize for economic journalism. His previous books include "The Undercover Economist" and "The Logic of Life."

Harford sees the implications of his ideas to be far-reaching: "Such problems are the stuff of this book: how to fight insurgents who, of course, fight back; how to nurture ideas that matter when so many of those ideas are hard to even imagine; how to restructure an economy to respond to climate change, or to make poor countries rich; how to prevent rogue investment bankers from destroying the banking system again."

"Whenever such problems are solved, it is little short of a miracle," Harford observes. "This book is about how such miracles happen, why they matter so much, and whether we can make them happen more often. Progress comes from lots of experiments, many of which will fail. This book argues that failure is both necessary and useful."

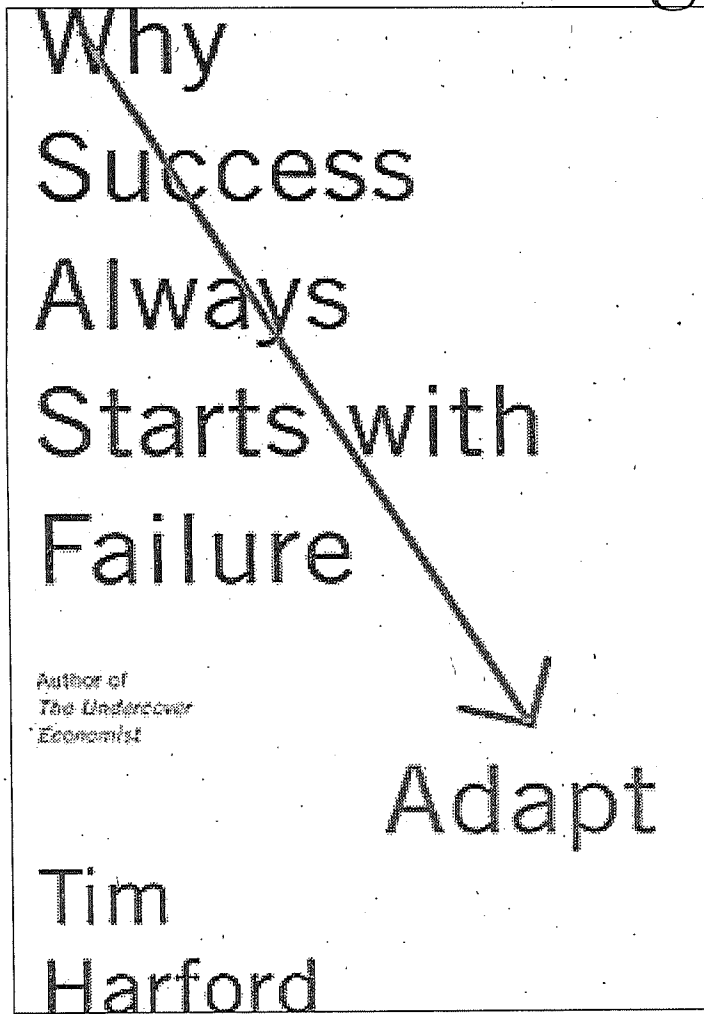
Harford infuses numerous examples from a variety of different areas throughout his book, which serves to heighten reader interest in the issues under consideration. One company he mentions at several points throughout the book is Google.

"If any company can be said to embrace trying new things in the expectation that many will fail, it is Google," the author asserts. "As long as the company doesn't pour too much money into failing products, the few big successes seem to justify the many experiments. The company's corporate strategy is to have no corporate strategy."

Moreover, his ideas seem to be as applicable to individuals as to organizations. He is particularly aggressive in his advocacy for prototyping and trial-and-error problem solving.

"Accepting trial and error means accepting error," Harford explains. "It means taking problems in our stride when a decision doesn't work out, whether through luck or misjudgment. And that is not something human brains seem to be able to do without a struggle."

"But whether we like it or not, trial and error is a tremendously



"Adapt: Why Success Always Starts with Failure" by Tim Harford. New York: Farrar, Straus and Giroux, 2011. 309 pages, \$27.

powerful process for solving problems in a complex world, while expert leadership is not," he adds.

Harford's point seems to be that leaders need to recognize their limitations and give their followers a relatively wide berth when it comes to the decision-making process. The truth is that many times, the precursors to significant innovations tend to fail miserably. The trick is to learn from the mistakes encountered along the way in order to achieve eventual success.

"Doing foolish things in an attempt 'to correct the past,' like marrying the man whose baby you just aborted, isn't unusual at all," Harford argues. "It's part of being human. What is unusual is the unblinking ability to analyze motives, learn from them, and become a stronger person."

Nowhere is this more evident than in his discussion of the various events and decisions that led up to the Deepwater Horizon disaster last year. Harford makes a convincing case that an irrational fear of failure was one of the main culprits of that tragedy.

"On paper, BP has a clear policy of protecting people who blow the whistle with safety concerns," Harford notes. "But in practice, the tight-knit community of an offshore drilling rig can encourage conformist thinking, regardless of the official policy."

At the same time, the author concedes that our best hope for solving many of today's complex

problems lies more with groups working in concert than with individuals working in isolation; it is how well we work with others, not how well we work for others, that will characterize our ultimate success or failure.

In explaining the increasing importance of collaboration in both the private sector as well as education, he argues that "in academia, too, teams are starting to dominate across the board. Solo researchers used to produce the most highly cited research, but now that distinction belongs to teams of researchers."

"Adapt" is exceptionally well-researched, with no less than 31 pages of source notes at the conclusion of the eight chapters that make up the main text. This serves to give credibility to Harford's work and distances it from many of the management and self-help books that tend to occupy a majority of the shelf space at popular bookstores.

"The ability to adapt requires an inner confidence that the cost of failure is a cost we will be able to bear," Harford concludes. "Sometimes that takes real courage; at other times all that is needed is the happy self-delusion of a lost three-year-old."

Harford wants us to have, and never lose, both.

— Reviewed by Aaron W. Hughey, Department of Counseling and Student Affairs, Western Kentucky University.