

URL: <https://stvp.stanford.edu/clips/celebrating-failure-as-success>

Astro Teller, director at X, talks about how failure is not only accepted within Alphabet's moonshot factory, but how teams that kill their ambitious projects early are rewarded generously for the lessons that the failures yield. The seemingly counterintuitive practice establishes workplace norms that incentivize boldness and transparency.



Transcript

- When one of our projects that actually has a non-trivial number of people, at least a few people, full time on it, ends their project and they end their project, so I'll tell you a story about that, we bring them up on stage.. We have a bunch of X'ers here, and they've seen this multiple times.. We bring them up on stage and we say, "This team is ending their project today.. "They have done more in ending their project in this quarter "than any of you did to further innovation at X "in the last quarter." And then all of you, especially the first time you hear this are gonna feel a little ripped off.. Like, wait a second, they're failing, they're calling it a day, I'm working my ass off, how come they're up on stage? That seems kind of unfair.. Then I say, "And we're giving them bonuses." And you say, "Wait, I'm not getting a bonus.. "Why are they getting a bonus? "They're killing their project.. "I'm actually succeeding, mine's still going." You know what, guys? Take a vacation, and when you come back, the world's your oyster.. You'll find some new project to start or you can pick which project to jump into, depending on which one's going best.. At this point, all of you are a little mystified if this is your first time through this, and feeling quite ripped off..

But social norms are incredibly powerful.. People will do horrible, horrible things to each other if you set the social norms appropriately.. They will also do incredibly innovative, creative, expressive, transparent things, if you create the right norms for it.. By the tenth time that we do this, it's normal.. I don't even have to remind people anymore when we stand them up, that they should get a huge round of applause, and that everyone there should be looking up to the people who ended the projects.. But have you ever heard of somebody actually getting rewarded? Because if I tell you to fail fast, are you gonna run out, if you're part of our organization and fail fast, just because I said it? No, you're gonna be thinking what happens if I fail fast.. Am I gonna get fired? I'm gonna lose all the people who are reporting to me, so then I suck, and then I'll have to go tell my friends I was kind of demoted.. Am I gonna get my bonus at the end of the year? What happens to my compensation or my opportunity for promotion? Are those things all out the window? This is the difference between the lip service and the actual emotional paths of least resistance.. Creating the feeling that failing fast would actually get you what you want, instead of getting you the opposite of what you want...