Kiasu 2.0, or how to learn to love failure

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For The Straits Times

A recent report found that Singapore's deeply ingrained fear of failure may be hampering efforts to transform it into a hub for innovation and new technology. It was based on a study by the Economist Intelligence Unit which ranked Singapore 14th out of 45 global cities in terms of how confident businesses are that their local environment supports digital transformation.

Seven other Asian cities ranked in the top 10, with Bangalore taking first place – putting it ahead even of San Francisco. Singapore fared particularly poorly for innovation and entrepreneurship – a factor that should be seen as a wake-up call.

For decades, Singapore's kiasu culture has served it well. This cultural fear of losing out or of losing an opportunity has been seen as a key ingredient in the city-state's economic miracle and transformation from Third World to First.

But a fear of losing out has also instilled a deep-seated fear of making mistakes. Singaporeans are as driven as ever to want and achieve more, but many are held back by a lack of confidence and a culture that sees errors or failures as a career-damaging black mark against someone's name.

In a fast changing, so-called VUCA (volatile, uncertain, complex and ambiguous) world where innovation is key, the old kiasu mentality is no longer appropriate and a new approach is needed.

Put another way, making mistakes is crucial for innovation. As Albert Einstein is quoted as saying: "Anyone who has never made a mistake has never tried anything new." After all, trying new things is literally what innovation is about.

ERROR MANAGEMENT

In my research on entrepreneurs around the world, I have seen how fear of failure leads to lower levels of entrepreneurship and is directly related to lack of innovation. In environments where fear of failure is high, particularly because errors are scorned and punished, it takes a brave soul to venture far from what is familiar.

Making mistakes is generally seen as embarrassing, messy, and something that is rarely easy to deal with. This does not sit well with a culture that values order and stability, and seeks to avoid risk.

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Error management puts mistakes and failures in a positive light and removes the stigma or shame surrounding them. As a result, individuals are more comfortable pointing them out and less likely to try to cover them up, meaning their negative impact is reduced or even mitigated entirely.

This also means that mistakes can be controlled and are not repeated, because when mistakes are welcomed and seen as educational and valuable, people are more comfortable discussing them.

BREAK THINGS

At Facebook, in its early, adolescent days of breakneck growth, the social media giant's approach was summed up in the unofficial motto "Move fast and break things". The mantra came to embody the disruptive, freewheeling approach of Silicon Valley in general – what mattered was new products, even if they didn't work entirely perfectly.

More recently though, even Facebook has grown up. From "Move fast and break things" it evolved to the more pragmatic (and shareholder-friendly) "Move fast with stable infra" – in other words, making sure things work as they are supposed to.

Certainly a company like Facebook with billions in reserves can better afford to take more risks than a zero-profit start-up. But the approach and mindset has lessons for businesses of any size.

Nurturing a culture of error management means educating people that errors can be managed positively. It means seeing limits to an individual's current knowledge and a desire to learn and explore as attributes that should be welcomed and praised.

Making mistakes is part and parcel of pushing ourselves into new situations that can be explored and where real innovation can take place. With this kind of mindset, individuals and entire businesses learn to cope with errors quickly and the negative consequences can be stopped or controlled. For example, think of how a quick "I am sorry" said soon after a mistake is made is much more impactful than saying it a month later.

LOST OPPORTUNITIES

On the other hand, a conscious effort to avoid errors inherently reduces the area into which we allow ourselves to venture. By restricting our exploration space to only "safe" and familiar areas we are comfortable with, we are cutting ourselves off from the opportunity to innovate.

Similarly, if mistakes and errors are not openly communicated, we deprive ourselves of opportunities to learn and poor, perhaps even dangerous, decisions will follow.

In 1986, the world's worst nuclear accident occurred at the Chernobyl power plant in Ukraine. It was the result of a cascade of errors that began with a few small mistakes. Likewise, many of the world's deadliest air crashes have been blamed on similar chain reactions, where an initial, minor error was not quickly addressed, leading to further and increasingly serious mistakes.

If one does not communicate mistakes because one is afraid to show failure, such a chain reaction is more likely to appear. But with an effective, open error management culture in place, small mistakes can be prevented from snowballing into larger and potentially disastrous ones.

In today's tech-driven, VUCA world, organisations and economies that will thrive are the ones that do not fear exploring new things and have the confidence to exploit or take advantage of the innovations that arise. The ones that discourage people from making mistakes and learning from them will be outsmarted.

A culture of being welcoming and open to mistakes can be compatible with one that values stability and control. It is time for a new kind of kiasu mentality to emerge.

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