## **How I Got My Team To Fail More**

Harvard Business Review

by Jason Seiken | 1:00 PM September 13, 2013

Business-school literature has long stressed the importance of taking risks and encouraging rapid failure. In the real world of quarterly numbers, though, embracing failure mostly remains a throwaway line in CEO speeches.

At PBS Digital, we went beyond corporate lip service and demanded failure from each and every employee.

The results? The transformation of a venerated but legacy brand into a digital leader.

The story of our decision to create and embrace a failure metric begins, as do many business advances, with desperation. By 2007, PBS.org audience growth had stalled and the product pipeline was dry. Worse, the digital team was paralyzed by a deeply engrained culture of caution. Its top two priorities — a redesign of PBS.org and a new video player — had churned on for two years with little to show except a thick binder of product requirements from key constituents.

It's easy to understand why. Television production works on a different cycle from digital, with programs often greenlit two to three years in advance. Also, PBS is the opposite of a top-down company. It's a membership organization created to serve more than 350 independently owned and operated stations, each with its own board of directors, objectives, agendas and strategies.

With hundreds of masters, any potential digital product was bound to fall short of meeting *somebody's* needs. Layer on the fact that PBS stations receive a small but vital revenue stream from federal and state governments, and you had an almost ideal scenario for paralysis.

That culture had worked fine in the analog world, through nearly four decades of groundbreaking children's television started by Sesame Street, and primetime television gems such as NOVA, Nature, Masterpiece, and FRONTLINE — each of which has been on the air for more than a quarter-century.

But that was analog. On the digital side, an organization that deliberates too long about products instead of launching them will find itself quickly gasping for survival.

So when I joined the company in December 2006, I decided to deliver a shock to the system. Soon after arriving at PBS, I called the digital team into a conference room and announced we were ripping up everyone's annual performance goals and adding a new metric.

Failure.

With a twist: "If you don't fail enough times during the coming year," I told every staffer, "you'll be downgraded."

Because if you're not failing enough, you're playing it safe.

The idea was to deliver a clear message: Move fast. Iterate fast. Be entrepreneurial. Don't be afraid that if you stretch and sprint you might break things. Executive leadership has your back.

When I talked about the failure metric and freeing the team to become more entrepreneurial, some in the larger PBS organization translated this as the digital group wanting a license to be undisciplined. So we worked to build a digital team

that was left-brain, right-brain — embracing the nonlinear right-brain mojo of a startup (entrepreneurial, fast-moving, unafraid of risk) while filtering every initiative through the left-brain empirical rigor of goals, metrics, and KPIs. The KPIs also helped ensure our failures were disciplined failures, not the result of sloppiness.

In a beautifully ironic twist, the failure metric itself initially failed. We originally envisioned the metric as a formal KPI in each staffer's annual performance review. But we soon realized we had created a contradiction: You can't build a culture that values rapid iteration by simply changing an annual performance cycle. We needed daily reinforcement of the desirability of risk-taking and failing fast.

So instead of spending cycles working with HR to create a KPI measuring lack of failure, we focused on endlessly repeating the "must fail" message.

The change was rapid and profound. Some staff were uncomfortable with the new culture and left. Others began taking risks. The product manager working on our first augmented reality site for PBSKids.org ditched her plans for months of customer research and testing in favor of a 10-week sprint to launch. The site failed. The product manager? She received a spot bonus and her "smart failure" was listed as a top accomplishment in her glowing annual review.

Critically, the lessons learned from the augmented reality failure led to creating a suite of gesture-based games, which are now among the most popular areas of pbskids.org.

With the team taking risks and being rewarded for doing so, we set to work institutionalizing the new culture, adding the day-to-day processes of a lean startup.

Our development team went Agile. We began formally recognizing staffers who took risks, such as the design director who landed several impressive applicants by replacing a traditional job posting with an infographic about the position.

Crucially, we redefined success. When our first foray into web-original video production, a safe, TV-type series called "The Parent Show," launched to fairly good reviews, we resisted the temptation to declare victory. Instead, the team challenged itself to risk breaking the PBS mold by creating a truly YouTube-native show.

This led to the Mr. Rogers remix, "Garden of Your Mind," which auto-tuned old clips so Mr. Rogers bursts into song. Within 48 hours, it rose to the top of the most viewed and most shared videos charts on YouTube.

Before the failure metric, the team would have considered a Fred Rogers music video to be risky at best, sacrilege at worst. Instead, the culture change triggered by the failure metric gave the team comfort that even if this blew up in their face, they would be protected.

Every revolution eventually faces a counter-revolution. Ours was no exception. The failure metric was a get-out-of jail-free card for the digital team, but had done nothing for the larger PBS organization. Tensions began to surface between the digital group's new lean start-up pace and the larger organization's traditional culture.

Properly managed, it's a healthy tension. Each culture challenges the other to grow. More often, though, the incumbent culture simply blots out any challengers. So far, PBS has avoided that fate, thanks largely to CEO Paula Kerger, who has pulled off the difficult task of nurturing and supporting the new digital culture while growing audience ratings for the legacy television business.

We learned that to make the culture change stick, we needed to be both radical and incremental.

Radical because we needed to establish audacious goals to inspire the team. Incremental because, well, we didn't want to get fired. (And because it's a rare organization able to swallow significant change in one gulp.)

We went radical by re-casting our team's mission statement into two words: Reinvent PBS.

And we took baby steps by starting with one product, PBS.TV, which upended both internal and audience assumptions about what a PBS website should look like.

We suspected we had it right when AP led a story with "PBS may be cooler than you think"; the Twitter crowd started calling PBS.TV "sick nasty"; and a middle-aged woman in focus group testing announced, "I can't believe this is PBS. It's so ... modern."

Crucially, we delivered business results. In the five years since we delivered the failure metric jolt to our system, unique visitors to PBS.org have doubled. In each of the first seven months of 2013, PBS.org topped ABC, CBS, NBC, and Fox as the most-visited network TV site, according to comScore.

In that same timeframe, video views on PBS.org and our mobile platforms have risen 11,200 percent — from 2 million a month to almost a quarter-billion last month.

The 11,200 percent growth in video views has propelled PBSkids.org to become the most popular Web site for kids video for 17 straight months, according to comScore.

In the end, the failure metric was something of a verbal stunt. Here's what staffers said a few years later: If I had simply announced that they had permission to fail, they would have considered it corporate blather. By making failure a requirement, I had shocked them into taking the message seriously. Sometimes it takes a stunt to push people — and organizations — out of their comfort zones and on to lasting change.