

Index

A

- Adams, Scott, 57, 89
Affinity Labs, 53–54
Airbnb, 86
AltaVista, 151
Amazon.com, 53, 74, 78, 133, 151,
169, 198
American Psychological
Association, Center for
Organizational Excellence,
206
American Express, 211
Andreessen Horowitz, 49
Angry Birds, 33
Anti-Portfolio, 179
AOL, 55
Apologize, 149, 152, 171
Apollo 13, 150
Apple, 9, 55, 85, 102, 133, 152
accidents and, 35
BlackBerry and, 198
comeback of, 167, 168
crown jewels at, 124
customer enthusiasm and, 206
growth of, 85
Macintosh computer, 28–29
Sony and, 82–83, 133
“Aretha Challenge,” 106–107, 108
Arthur Andersen, 123
Ashesi University, 218
Atari, 83
Athletic performance, 44–45
A.T. Kearney, 91, 115, 155
Aurik, Johan, 91–92, 115, 155
Avon, 110, 112, 207
Atychiphobia, 38
Auwah, Patrick, 218
- ## B
- Bancroft, Pete, 179
Bank of America, 148
Barnes-Jewish Hospital, 208
Baseline Ventures, 49
Bee Partners, 65
Bennis, Warren, 30
Bergman, Stan, 173–174, 176
Berolzheimer, Michael, 65
Bessemer Venture Partners,
178–179
Bewkes, Jeffrey, xv–xvi

Beyer, Kurt, 125
 Bezos, Jeff, 169
 Bhide, Amar, 55
 Big data, 131–133, 162–163
 BlackBerry, 105, 134, 198
 Black Swan event, 34–35, 92, 129
 Blake, Frank, 198
 Blakely, Sara, 109
 Blank, Steve, 58
 Blockbuster, 198
 Boehringer Ingelheim, 162–163
The Book of Mormon, 90–91
 Borders, 133, 134
 Boston Consulting Group (BCG),
 83, 203
 British Petroleum (BP), 145
 Burbn, 49–50

C

CB Insights, 52
 Charles Schwab, 84, 118–119
 Checklists, 115–117, 127
 Chesbrough, Henry, 31–32, 112,
 162
 Christensen, Clayton, 8, 92
 Chrysler, 167
 Circuit City Stores, 83, 134
 Cobb, Ty, 23
 Collins, Jim, 8, 83
 Columbia Pictures, 82
 Compasses, 115–117
 Conroy, David, 44
 “Copy With Pride” award, 207
 Cowan, David, 179
 Cox Communications, 117
 Craigslist, 198
 Cramer, Jim, 165–166

“Crossing the Chasm,” 56
 Crown jewels, 123–125, 141
 Culture, 74–75, 173–180, 182
 Culture of compliance, 91
 Customer discovery, 58–60
 Cyberattacks, 34–35

D

Daimler, 105
 Deep Horizon underwater oil spill,
 145
 Delman, Scott, 90–91
 Deloitte, 35, 91
 Deming, W. Edward, 116
 De-scaling, 88
 Detroit Diesel, 154
 Diaz, Franklin Chang, 24–25
 Digital Equipment, 134
Dilbert, 6, 19, 38, 57, 89, 181
 Dropbox, 86
 Drucker, Peter, 182
 DuPont, 148

E

Eastman, George, 103–104
 Eastman Kodak Company,
 103–104, 105, 134, 162,
 196
 eBay, 178–179
 Edison, Thomas, 33, 67, 112–113
Effective Apology (Kador), 149
 “Eight ‘P’s,” 147
 Elance, 74
 ELMS Puzzles, 72–73
 Employee engagement, 90–92, 95,
 142, 200–203, 205,
 210–211

- Enron, 105
- Entrepreneurs, 6–7, 53–56
- Execution-to-experimentation, 79
- Exercises
- Apply the Un-Golden Rule, 127–128
 - Assess Your Failure Leadership Profile, 16
 - Fear of Failure, 40
 - What Are Your Crown Jewels?, 124
 - What Has to Be True?, 60–61
- Expansión* magazine, 111
- eToys.com, 62
- Experiments, 128, 130
- F**
- Facebook, 9, 50, 100, 132, 151
- FailCon, 111
- “Fail fast, fail often,” xix, 3
- Failure
- accidents and, 34–35
 - anticipating failure, 122–123
 - defining, 27–36
 - early signs, 133–141
 - emotional dimension of, 156–157
 - facts about
 - IT projects, 22
 - life, 23
 - love, 23
 - mergers and acquisitions, 22
 - new CEOs, 22
 - new hires, 22
 - new products, 22
 - New Year’s resolutions, 23
 - patents, 22
 - profitability, 22
 - sales, 22
 - sports, 23
 - startups, 22
 - venture capital-backed startups, 22
 - fear of, 19–20, 37–39, 206
 - gravity of, 21–26
 - identifying small, 137–138
 - initial response, 19
 - “pivoting” and, 112
 - startup ventures and, 52–58
 - synonyms and examples of, 13–14
 - as taboo topic, 2, 104–107, 191, 209
 - as today’s lesson for tomorrow, 32–33, 183
 - unintentional versus invitational, 33–34
 - vocabulary and, 112–113
- “Failure Bounty,” 207–208
- Failure horizon, 129
- “Failure is not an option,” 17, 26, 149–150
- Failure metrics, 205–206
- “Failure-Savvy Leadership” rules, 57
- Failure-savvy organizations
- actions for, 197–208
 - creating, 195–208
 - exercises for, 196
 - metrics for, 204–207
 - risks for, 197–198
 - status quo and, 198–199
 - teams and, 202–204
 - trust and, 200–202
- Failure-to-insight cycle, 59

- Failure Value Cycle, 97, 99–102
 framework, 2–3, 99–102
 React stage, 3, 143–152, 188
 Rebound stage, 3, 165–173, 189
 Recognize stage, 2, 131–142,
 187–188
 Reflect stage, 3, 153–164,
 188–189
 Rehearse stage, 3, 121–130, 187
 Remember stage, 3, 173–182,
 189–190
 Respect stage, 2, 103–120,
 186–187
 Failure Value Report Card,
 183–192
 “Failure Wisdom Report,” 180, 207
 “Failure Zones,” 115, 117–118,
 122, 207
 low-defects zones, 118
 no-failure zones, 118
 “no-fault” failure zones, 117
 Fairchild, 151
 Family businesses, 70, 75–76
 Fear
 as ally of failure, 40–42
 athletic performance and, 44–45
 of failure, 17, 19, 37–38, 206
 magnifier, 39
 memory and, 42–45
 status quo and, 38
 women and, 39
 Federal Emergency Management
 Agency (FEMA), 34
 FedEx, 178–179
 First-ring outsiders, 158, 159–160
Fooled By Randomness (Taleb), 34
 Force multipliers, 37, 209–211
 Ford, Henry, 33, 59–60
 Ford, 116
 Foursquare, 49
 Foxconn, 84
 Franchises, 71
 Franklin, Aretha, 104
 Friendster, 151
 FuckUp Night movement, 111
 “Future quo,” 140, 142

G
 Gallup, 205
 State of the Global Workplace, 88
 Galvin, Bob, 116
 Gardner, John, 37
 Gasca, Leticia, 111
 Gates, Bill, 59
 Genentech, 211
 General Electric (GE), 105, 116
 General Motors (GM), 133, 136,
 167, 208
Getting to Plan B (Komisar), 53
 Ghosh, Shikhar, 57
 Giaever, Ivan, 157
 Gmail, 93, 140, 153
 Goldilocks zone, 76
Good to Great (Collins), 83
 Google, 9, 140, 151, 199, 210
 acquisition of Nest Labs, 55
 Bessemer Venture Partners and,
 178–179
 purchase of Motorola, 116
 risk-taking and failure approach,
 153–154
 sharing experiments with insiders
 and outsiders, 93
 Stan the dinosaur and, 199

- Google Ventures, 40, 128, 153–154
- Gorman, China, 90, 200, 213–214
- Granholm, Jennifer, 30, 205
- Gravity, 11, 21–26, 156
- Great Catch Award, 208
- Great Place to Work Institute
(GPTW), 79, 90, 200, 205,
210, 213–214
- Fortune’s “100 Best Companies
to Work For,” 90, 93
- Great Small Business Places To
Work, 71
- Gretzky, Wayne, 23
- Ground-zero insiders, 158–159
- Grove, Andy, 40, 130, 179
- Grown-Ups, 47, 81–95
- competitors, 88–89
- key facts, 83–84
- mistakes, 92
- Newton’s first law, 84–85
- revenue and, 87–88
- risk/reward paradox, 86–87
- as “too big to fail,” 85–86
- H**
- Haas School of Business, University
of California Berkeley
- defining principles of, 215
- “Other F Word” course, 219–223
- Workshop For Startups, 216–219
- Haji, Priya, 218
- Harvard Business School, 57
- Harvey, Del, 136–137
- Hastings, Reed, 165
- Hayward, Tony, 145
- Henry Schein, Inc., 88, 173–175,
176, 210
- Hewlett-Packard, 85
- High-reliability organizations, 116,
122
- High-resiliency organizations, 123
- Hinshaw, Michael, 30
- Historical future, the, 182
- Holliday, Chad, 148, 155
- Home Depot, 35, 102, 198, 245
- Honeywell, 55
- Hoplamazian, Mark, 93–94, 118
- Hsieh, Tony, 175
- Human resources executives, 6
- Hyatt Hotels, 93–94, 118
- I**
- IBM, 119, 151, 168, 204
- IDEO, 15Inc. 500, 55
- Indiegogo, 108, 210
- InnoCentive, 77
- The Innovator’s Dilemma*
(Christensen), 8
- The Innovator’s Solution* (Christensen
& Raynor), 8
- In Search of Excellence* (Peters and
Waterman), 83
- Instagram, 50
- Intel, 40, 130, 152, 178–179
- The Intelligent Entrepreneur* (Michel),
108
- Invitational failure, 33–34, 56
- iPhone, 49, 50, 169
- J**
- Javelin Venture Partners, 139
- JCPenney, 133, 198
- Jobs, Steve, 59, 60, 65, 167, 169
- Johnson & Johnson, 145, 210

Jordan, Michael, 23
JPMorgan Chase, 102

K

Kador, John, 149
Kaggle, 77, 162–163
Kahneman, Daniel, 42–43, 151
Kan, Justin, 53, 86
Kasdin, Kef, 30
Katz, Jed, 139
Kawasaki, Guy, 28–29, 99
Keep-Ups, 67–80
 challenges of, 72–75
 customers and, 78–79
 family businesses, 70, 75–76
 franchises, 71
 Goldilocks zone, 76
 key facts, 69–70
 opportunities for, 77–78
 “Six C” gauntlet, 73–75
Kelley, David, 15
King, Bob, 30, 112
Kleiner Perkins Caufield & Byers, 40
Komisar, Randy, 40, 53
Kraft, Chris, 150
Kranz, Gene, 150
Kraus, Joe, 40, 128, 153–154
Krieger, Mike, 49–50
Kübler-Ross grief process, 157–158
Kucirek, Scott, 110

L

Laret, Mark, 110, 122
Lean Startup, 54, 58–59
The Lean Startup (Ries), 58
Lesser, Rich, 83, 203–204
LG, 82

Lockheed Martin, 92
Logan, Duncan, 49, 52–53
Long-cycle rebounds, 167–168
Lululemon Athletica, 143–144, 145
Lyons, Rich, 38, 215, 219

M

Macintosh computer, 28–29
“Make failure public” movement,
 111
Makhija, Anil, 76
Malmstrom Air Force Base, 107
Marquard, Bill, 180
Mayo Clinic, 210
MCorp, 30
McCoy, Sheri, 110, 112, 207
McDonald’s, 84
McIntyre, Pat, 68
McKee, Robert, 176–177
McKinsey & Company, 70, 75
Memory, 42–45
Metrics, 180–181, 204–207
Michel, Chris, 53–54, 108, 210
Microsoft, 88–89, 152
Model T, 33, 59
Morgan Stanley, 147
Moore, Geoffrey, 56
Morita, Akio, 59
Motorola, 116

N

99 designs, 74
National Aeronautics and Space
 Administration (NASA),
 150–151
National Center for the Middle
 Market, 76

Nest Labs, 55
 Netflix, 34, 102, 165–166, 196
 Net Promoter Score, 206
 “Never-been-done-before”
 innovation challenge, 117
 Newton’s first law, 84–85
 Nike, 45
 “Noble failure,” 119
 Northern Telecom, 134
 Northland Fishing Tackle, 67–68
 Noyce, Bob, 179

O

Odeo, 126
Only the Paranoid Survive (Grove),
 130
 ONTRAPORT, 71, 154, 210
 Open innovation, 31, 112, 162, 163
 Orellana, Carlos, 218

P

Pan Am, 198
 PayPal, 178–179
 Penske, Roger, 154
 Peterson, John, 57–68
 Petroski, Henry, 182
 Pets.com, 62–63
 Pfizer, 151
 Phillipps, Cass, 111
 Pinterest, 131
 “Pivoting,” 112
 Plan–Do–Check–Act cycle, 116
 Polaroid, 134, 162, 198
 Pottruck, David, 84–85, 118–119
 Powell, Colin, 37
 Premature scaling, 56–57
 Proterro, 30

Q

Qwikster, 34, 102, 165–166

R

“Raise your hand” culture,
 109–112
 RCA, 133
 React stage, 3, 143–152
 acknowledge and apologize, 149
 failure triage, 146
 Failure Value Report Card, 188
 overview of, 143–145
 rehearsals and, 147–148
 “right now” questions, 148–149
 Rebound stage, 3, 165–173
 clearing decks and, 170
 Failure Value Report Card,
 189
 fundamental choices in, 168–169
 planning, 169
 short-cycle versus long-cycle
 rebounds, 167–168
 success in, 165–167
 Recognize stage, 2, 131–142
 actions for monitoring, 134–141
 big data and, 131–133
 early signs of failure, 133–141
 Failure Value Report Card,
 187–188
 teams and, 138–141
 Reflect stage, 3, 153–164
 big data and, 162–163
 elements to focus on, 161–162
 emotional dimension of failure
 and, 156–157
 Failure Value Report Card,
 188–189

- Reflect stage (*Continued*)
 learning from failure and,
 153–155
 recovery and, 157–158
- Rehearse stage, 3, 121–130
 anticipating failure, 122–123
 challenges of hospitals, 121–122
 experiments and, 129
 Failure Value Report Card, 187
 high resiliency and, 126–127
 protecting crown jewels,
 123–125
 Un-Golden Rule, 127–128
- REI, 211
- Relics, 175, 178–180
- Remember stage, 3, 173–182
 culture and, 173–180
 Failure Value Report Card,
 189–190
 relics and, 175, 178–180
 reports and, 175–176, 180
 rituals and, 175, 177–178
 stories and, 175, 176–177
- Requist, Lena, 71–72, 154
- Rescorla, Rick, 147
- Respect stage, 2, 103–120
 “Aretha Challenge,” 106–107
 checklists and compasses,
 115–117
 Eastman Kodak Company,
 103–104, 105
 failure and, 108–109
 Failure Value Report Card,
 186–187
 failure vocabulary and, 112–113
 finding value-add, 119
 low-defects zones, 118
 “No-fault” Failure Zones,
 117–119
 “Raise your hand” culture,
 109–112
 Six Sigma to Zero Stigma,
 114–115
 “zero-failure” culture, 107
- Ries, Eric, 58
- Ringelmann, Danae, 108–109, 210
- Risk/reward paradox, 86–87
- Rituals, 175, 177–178
- Roberts, Bryan, 30, 64
- Roche, 119, 156
- Rock, Arthur, 179
- Rocket Chemical Company, 32
- RocketSpace, 49, 52
- Rovic, 33
- Royal Dutch Shell, 148
- S**
- Sala Uno, 218
- Samsung, 82
- Sanghvi, Siddharth, 218
- Sarandos, Ted, 166
- Scapegoats, 17, 20, 148
- Schneier, Bruce, 141
- Schultz, Howard, 167
- Schumpeter, Joseph, 134
- Schwan, Severin, 119, 156–157
- Sears, 133
- Second-ring outsiders, 158, 160
- Sharper Image, The, 198
- Short-cycle rebounds, 167–168
- Shula, Don, 158
- Silicon Graphics, 199
- Simpson, Homer, 33, 81
- Sippey, Michael, 30, 126–127

- “Six C” gauntlet, 73–75
 Six Sigma, 114–115, 116, 163, 197
 “Skunk Works,” 92
 Small or medium-sized enterprises (SMEs), 7, 67–80
 SNAFU, 34
 Sony, 59, 81–83, 87, 133, 169
 Southwest Airlines, 89, 93
 Spanx, 109
 Square, 74
Stacking the Deck (Pottruck), 84
 Stan the dinosaur, 199
 Starbucks, 167–168
 Startup Genome Project, 51, 52, 56
 Start-Ups, 9, 22, 47, 49–65
 faces and characteristics of, 52–54
 failure and, 49–52
 improving odds of success for, 58–65
 key facts, 50–52
 relationship with failure, 54–58
 Stories, 175, 176–177, 182
 Storytellers, 181–182
 Stuart, Fred, 72
 Systrom, Kevin, 49–50
- T**
- 3M, 116, 140
 “24-hour rule,” 158
 Taleb, Nassim Nicholas, 34
 Target, 34, 101, 133, 155
 Task Rabbit, 74
 Teams, 19, 56, 61, 63–64, 138–141, 202–204
 TED Talks, 78
 The Real Real, 62–63
 Timbre Technologies, 218
 Time Warner, xv–xvi
 Tindall, Bill, 150
 Today-to-tomorrow (T2T) metrics, 204–207
 “Too big to fail,” 85
 Torres, Roselinde, 203–204
 Toyota, 105
 Transocean Limited, 145
 Trust, 89–92, 161–162, 200–202, 205–206
 TubeMogul, 218
 Tumblr, 131
 TWA, 198
 Twain, Mark, 38
 Twitch, 53
 Twitter, 30, 126, 136, 210
 Tylenol, 145, 210
- U**
- Uber, 198
 UCSF Medical Center, 110, 121–122
 Un-Golden Rule, 128
 United Auto Workers (UAW), 30, 112, 154
 Unintentional failure, 33–34
 “Unk unk” defense, 35–36
 USAA, 210
 U.S. Navy SEALs, 138
- V**
- “Value-killer losses,” 35
 Venrock, 30
 Venture capitalists, 9, 51

W

Wainwright, Julie, 62–63
Walmart, 74, 84, 105, 180
 “Correction of Errors,” 180
Wang Laboratories, 83, 134
Watchful insiders, 158, 160–161
Watson, Tom, 119, 204
WD-40, 32–33, 178
Webvan, 62, 151
 “Webvan Curse,” 57
Wegmans groceries, 90
We Heart It, 131–132, 162
Welch, Jack, 116
West, Peter L., 15, 117
 “WIIFM,” 2
Williams, Dave, 131–132
Wilson, Chip, 143–144
Winters, Jonathan, 138
Wise.io, 132
 “Workaround Reward,” 207

Workshop for Startups, 57–58,
 216–218

Wozniak, Steve, 59

X

Xerox, 151

Y

Yahoo!, 55

Yankowski, Carl, 82–83

Y Combinator (YC), 53, 86

Yi So-yeon, 25

Z

Zappos, 137, 175

“Zero-failure” culture, 107

“Zero Stigma,” 114–115, 163,
 197

ZipRealty, 110

Zuckerberg, Mark, 100