

Accountability

When something goes wrong, assigning accountability can be used as an excuse for punishment, a way of blaming someone for something. When that happens, the results are negative. Problems aren't acknowledged because people are afraid of being held accountable for them; as a result, lessons aren't learned, changes aren't made. Employees become afraid to come forward with new ideas, and become less productive overall. But, if accountability is equated with responsibility, companies will experience positive results. According to the United States Office of Personnel Management,* positive accountability leads to greater employee morale, improved performance, greater employee involvement, and an increased commitment to work.

EMPOWERMENT THROUGH RESPONSIBILITY

In my experience in the corporate world, I have always felt proud when my managers trusted me enough to be accountable for projects or initiatives, because it meant that they had faith in me — and for me that means a lot. The same is true for others. Employees who are made responsible and held accountable get things done — they will feel empowered, they will feel trusted.

One of the key attributes that intrapreneurs possess is the ability to know what they are accountable for. They are not afraid of owning items or responsibilities regardless of whether or not they flourish. They have this deep inner ability to feel complete comfort with accountability that allows them to drive projects forward.

Giving your employees responsibility and making them accountable for their work is a good thing for your business or company. But how do you manage your employees and the work on a day-to-day basis? Early in my career, I learned the power of project management. Project management is an incredibly effective tool for holding people accountable. It helps you to look at how and when work gets done. The company's work is divided into projects. Then the different aspects of each project are assigned measurable targets. What are the work packets, what are the milestones, the dependencies, the timing, and which people are accountable? This approach helps to

* United States Office of Personnel Management, "Accountability Can Have Positive Results," OPM.Gov, opm.gov/policy-data-oversight/performance-management/reference-materials/more-topics/accountability-can-have-positive-results/.

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make sure that projects are done well and on time. And when things don't go well, this approach makes it easier to see what happened and why. Of course, discovering problems makes it easier to fix them.

Intrapreneurial-oriented project management is an approach that should be used much more widely in work and is fundamental to the greenhouse approach. It is a powerful tool.

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We have been discussing employee accountability, but I want to take a step back for a moment and look at accountability in a larger context. The accountability of the company. It's hard to expect employees to feel that they should be accountable for their work if the company that they work for does not strive to hold itself accountable to its employees and customers.

Patagonia is a company that sells outdoor clothing and gear. It is committed to conducting its business in a socially and environmentally constructive way. On its website, at The Footprint Chronicles, customers can find incredibly detailed information on its manufacturing and distribution process. It provides answers to such questions as "Where does Patagonia manufacture its products?" "Do workers in Patagonia factories make a living wage?" "How does Patagonia weigh its commitments to environmental versus social responsibility?" The foundational principles of the company's business approach are transparency and accountability. Every aspect of the company's operations — the choice of suppliers, the treatment of employees and the environment by those suppliers, etc. — are open for inspection by customers. There is no secrecy.

These discussions invite the consumer to be a part of the supply chain process, and the company welcomes feedback on how it can be improved. This very public view of sharing and openness engages their audience in meaningful ways that start to build trust and loyalty — an excellent example of the importance of a company being accountable at all levels.

Needless to say, the employees of Patagonia are very motivated and strive to ensure their work contributes to the success of the company. The commitment to accountability on the part of the company serves as a powerful motivator for the employees of Patagonia.

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Patagonia has embraced accountability as a business model. It has gone far beyond the standard concept of “quality” that many companies advertise themselves as providing. Patagonia has re-imagined the term. If your company wants to re-imagine accountability, I think there are some easy ways to do that.

First, you need to define accountability for your company. In business management, we talk a lot about “dependencies.” It’s really very simple. None of us operate in a void; what I do in my job invariably impacts what and how you do your job. Employees need to understand what those dependencies are and what they mean in terms of performance and productivity — to hitting the target or reaching the goal. Let team members know that people are depending on them to get their work done. It is vitally important that the conversation evolves from “I” to “we.” It’s about keeping the team engaged. If one person doesn’t complete a task, it will impact the whole team and the team’s commitments.

One of the things that people and companies need to be aware of is that when one person is allowed to miss a commitment, it creates a snowball effect, a culture of tolerance for this kind of behaviour. This leads to a poor work ethic. Employees need to be held accountable for their work. However, accountability should not be primarily a negative thing; it should be positive. It should be equated with responsibility. When employees are given responsibility, when they are given the power to make meaningful decisions, the results will be positive. Assigning your employees responsibility — accountability — for a task and then allowing them to operate as freely as possible to achieve that task, is the best way to engage talent to meet performance and productivity goals and benchmarks.

The greenhouse approach is all about nurturing talent. It will take time and effort. Healthy and receptive soil does not prepare itself. The greenhouse approach should be intrinsic to how your company works. The model that I have developed helps ensure that it becomes habitual.

CHAPTER TWELVE

Experimentation

THE GREATEST INNOVATORS of our time planned experiments deliberately, as they were on a path to discovery.

DELIBERATE DISCOVERY

Galileo Galilei

Legend has it that Galileo dropped two balls, one heavy and one light, from a tower in Pisa. Contrary to conventional wisdom, the story goes, the two balls landed at the same time. So much for conventional wisdom, right?

But the actual experiment he used was much better.

The Italian inventor carved a groove down the centre of a board about twenty feet long by ten inches wide. He propped the board at an angle and timed how quickly two balls rolled down the track. He discovered that the weight of the ball had no relationship to the distance that the balls travelled. Rather, the distance the balls travelled was proportional to the square of the time that elapsed.

How, in an age before clocks, could Galileo measure this so precisely?

Historians believe he used music.

Along the ball's path, Galileo placed catgut frets, like those used on a lute. As the rolling ball clicked against the frets, he sang a tune, using the upbeats to time the motion, effectively discovering a new law of gravity.

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William Harvey

Harvey was dubious of the Greek physician Galen's classic anatomy teachings, which said the body contains two separate vascular systems: a blue "vegetative" fluid, the elixir of nourishment and growth, which flowed through veins; and the bright red "vital" fluid, which travelled through the arteries, activating muscles and stimulating motion. Galen taught that invisible spirits, or "pneuma," caused the fluids to slosh back and forth like the tides. The heart just went along for the ride, expanding and contracting like a bellows.

Harvey cut open a snake and used forceps to pinch the main vein (vena cava) just before it entered the heart. The space downstream from the obstruction emptied of blood, while the heart grew paler and smaller, as though it were about to die. When Harvey released the grip, the heart refilled and sprung back to life.

Pinching the heart's main artery had the opposite effect. The space between the heart and forceps engorged with blood, inflating like a balloon. It was the heart, not invisible spirits, that was the driving motor, pushing red, oxygenated blood to the extremities of the body, where it passed into the bluish veins and returned to the heart, for rejuvenation.

Harvey deduced that there was only one kind of blood and it moved in a circle. It circulated.

Ivan Pavlov

Contrary to popular belief, Pavlov hardly ever used bells in his experiments with salivating dogs. His animals were more discriminating. In the "Tower of Silence," sealed from distractions, dogs were taught to distinguish between objects rotating clockwise and counter-clockwise, between a circle and an ellipse, even between subtle shades of grey. But, for his most remarkable experiment, Pavlov used music.

First, a dog was trained to salivate when it heard an ascending scale, but no reaction was encouraged for a descending one. What, Pavlov wondered, would happen if the animal listened to other combinations of the same notes? The melodies were played and the spittle collected.

Through simple conditioning, the dog had categorized the music it heard into two groups, depending on whether the pitches were predominantly rising or falling.

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The mind had lost a bit of its mystery. Pavlov had shown how learning was a matter of creatures forming new connections in a living machine.

Robert Millikan

By bending a cathode ray with an electrical field, Cambridge scholar J.J. Thomson had shown electricity to be a form of matter, and measured the ratio of its charge to its mass. It followed that electricity was made of particles, but to clinch the case, someone needed to isolate and measure one.

In Robert Millikan's Chicago laboratory, two round brass plates, the top one with a hole drilled through the centre, were mounted on a stand and illuminated from the side by a bright light. The plates were then connected to a thousand-volt battery.

With a perfume atomizer, Millikan sprayed a mist of oil above the apparatus and watched through a telescope as some of the droplets (they looked like little stars) fell into the area between the plates.

As he tweaked the voltage, he watched as some drops were pushed slowly upward while others were pulled down. Their passage through the atomizer had ionized them, giving the drops negative or positive charges.

By timing their movement with a stopwatch, Millikan showed that charge, like pocket change, came in discrete quantities. He had found the electron.

What can we learn from the above examples? Many of the greatest discoveries were the product of planned experimentation. Hypotheses were created, experiments were designed, results were analyzed — and then, if necessary, hypotheses were refined, and processes were adjusted. All of this is true. But some of the greatest innovations of our time have not been planned; they have been accidental, such as penicillin and Post-it Notes. None of these discoveries were the result of planned, deliberate innovation.

Experimentation has been fundamental to scientific progress since ancient times. It remains so today. Virtually all of the products and services that we enjoy in the modern world are products of experimentation. In fact, the amazing quality of life most of us enjoy today and take for granted is the result of experimentation. Testing of ideas, experimentation, and

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innovation are also fundamental to business success. The companies that succeed are those that embrace progress, that have embedded experimentation in their corporate culture.

We exist in an age of disruption. Managers know this, but many don't apply the fundamental idea of experimentation to their company's work environments. Why?

Many managers, involved in the day-to-day struggle to operate their companies, will tell you that business needs to happen and so there is little time (or not enough resources) left to experiment. My model addresses this quandary. It forces people to think differently and approach each problem from an inventor's mindset. This model forces people to think with a "What if?" approach.

THE INVENTOR'S MINDSET

Good experimental thinking has been said to be divergent, something that takes you away from the obvious path ... in the very best of ways. Experimental thinking is a process of discovery and learning. This means that you will fail. I often speak about the idea of "fail fast, recover fast" in my talks. Learn from your mistake and move on. The goal has not changed.

The success of a company like Amazon has been attributed to its emphasis on experimentation. According to Jeff Bezos, the CEO of Amazon, "Our success ... is a function of how many experiments we do per year, per month, per week, per day. We've tried to reduce the cost of doing experiments so that we can do more of them."

Experimenting can lead to great success, but there will, of course, be failures, too. It's necessary to keep that in mind. In today's work environments, we hear very little about the failures, the experiments that didn't immediately result in success or great discoveries. We only hear about winners. Angry Birds, for instance, the spectacularly successful online game franchise, was anything but an overnight success. Rovio, the company that developed Angry Birds, failed fifty-one times before it hit pay dirt. It wasn't getting it wrong that motivated Rovio, of course, but getting it right.

Bill Gates is enormously successful, but he, too, has suffered his share of failures. He often refers to his first company, Traf-O-Data, as the founding of Microsoft. The company had developed a software tool for analyzing

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traffic data, which was of use to traffic engineers. It was a good idea, but it had a flawed business model. Gates's experience in developing and marketing Traf-O-Data, despite the company's failure, taught him a number of important lessons, and played a crucial role in the formation and success of Microsoft. The lesson learned was a key step in creating Microsoft.

Bezos has gone on record discussing the relationship between success and failure:

Given a 10 percent chance of a one-hundred-times payoff, you should take that bet every time. But you're still going to be wrong nine times out of ten. We all know that if you swing for the fences, you're going to strike out a lot, but you're also going to hit some home runs. The difference between baseball and business, however, is that baseball has a truncated outcome distribution. When you swing, no matter how well you connect with the ball, the most runs you can get is four. In business, every once in a while, when you step up to the plate, you can score 1,000 runs. This long-tailed distribution of returns is why it's important to be bold. Big winners pay for so many experiments.

Since discovery and learning are part of good experimentation, good experimentation will result in many failures, but you'll also learn a lot.

Experimentation that results in failure is viewed unfavourably by most companies. No Six Sigma-certified firm tolerates "lots of failures" for long. Too often experimenting looks like "non-value added" work, which should be eliminated.

Of course, the cost of experimentation can be high, but there are ways to minimize the cost and maximize the benefits. Amazon is an example of a company that has figured out how to reduce the cost of conducting experiments so that they can do more of them. Amazon Prime, Kindle, and Echo were all experiments. So was Amazon Web Service (AWS), which is Amazon's cloud computing service, and it is now worth billions.

* Eugene Kim, "The Best Business Advice from Jeff Bezos," Business Insider (April 21, 2016), businessinsider.com/business-advice-from-amazon-ceo-jeff-bezos-2016-4#-1.

Experimentation

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I have always been an experimenter. Early on I learned that it is through the process of experimentation that we discover things. This is such a simple truth. When I entered the working world I realized that, while experimentation is both necessary and valuable for success, you must be somewhat circumspect when advocating for the testing of new ideas and protocols. When I have taken this behaviour to the workplace, I have treaded carefully, knowing that there would be mistakes and that I would be accountable for the implications. That never deterred me from experimenting; it just forced me to do it more carefully, using a better-thought-out process.

Even when caution is employed, many companies are still fearful of change, of experimentation. In many corporations, outside of their research and development teams, experimentation is a dangerous word. Experimenting is often seen as a thoughtless approach to business, a kind of “winging it,” rather than a considered attempt to obtain insight and knowledge. In such environments, where everything must be perfect the first time, experimentation loses and sameness wins.

In order to fight this mentality, to champion experimentation in your company, it is necessary to explain how it works and what its benefits are. It is necessary to make clear that experimentation is good, and even that failure is good. It must be made clear that it is through experimentation that we learn.

RETHINKING EXPERIMENTATION TO HYPOTHESIS TESTING

A hypothesis is an explanation or theory that requires further investigation. What if we looked at experimentation as simply a broken-down series of hypotheses? Might this be easier to apply and institutionalize within a company?

This approach to experimentation would involve a step-by-step process to determine whether a stated theory or idea about a certain situation is true. This would lead to more innovation, while helping you deviate from assumptions by actively involving first principles thinking.

Hypothesis testing would enable you to make better-informed decisions about what to do moving forward or how to navigate around your options. This process, while enabling you to be freer with the ideas of risk

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and trial and error, can also present facts on projects or initiatives, revealing where you could be wasting time, capital, and resources.

Essentially, good hypotheses lead decision-makers to new and better ways of achieving business goals. When you need to make decisions, such as how much you should spend on advertising or what effect a price increase will have on your customer base, it's easy to make wild assumptions or get lost in analysis paralysis. A business hypothesis solves this problem because at the start it's based on some foundational information. In all of science, hypotheses are grounded in theory, as theory tells you what you can generally expect from a certain line of inquiry.

A hypothesis based on years of business research in a particular area, then, helps you focus, define, and appropriately direct your research. You won't go on a wild goose chase to prove or disprove it. A hypothesis predicts the relationship between two variables. If you want to study pricing and customer loyalty, you make a prediction statement so that you won't waste your time and resources studying tangential areas.

To form a good hypothesis, you should ensure certain criteria are met when making your prediction statements. Remember, some of your beliefs could be old assumptions, so look for current research.

The process could look like this.

- State the hypothesis. You have a theory to be tested, state it. Maybe there is a new feature in a product that you want to develop and you believe it will appeal to a particular audience.
- Collect some initial data and information that you believe could influence your hypothesis.
- Further refine your hypothesis based on the data and make some predictions on what you think will happen based on the information gathered.
- Test your hypothesis.
- Analyze the data and draw some conclusions and insights from the results.

This process rewires your thinking to come up with new ways of incorporating experimentation into your decision-making process. Better-informed decisions can be made.