

# The History of Failing to Learn from Failure

Scott Berkun / @berkun  
Failcon 2012







# TRÖY

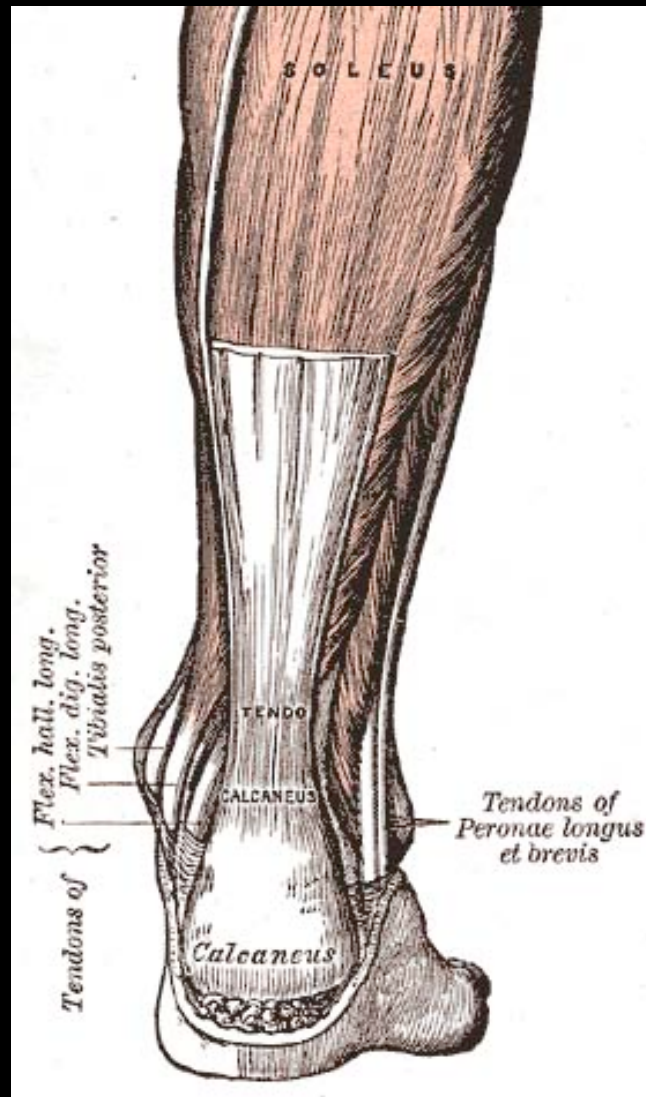
MAY 14



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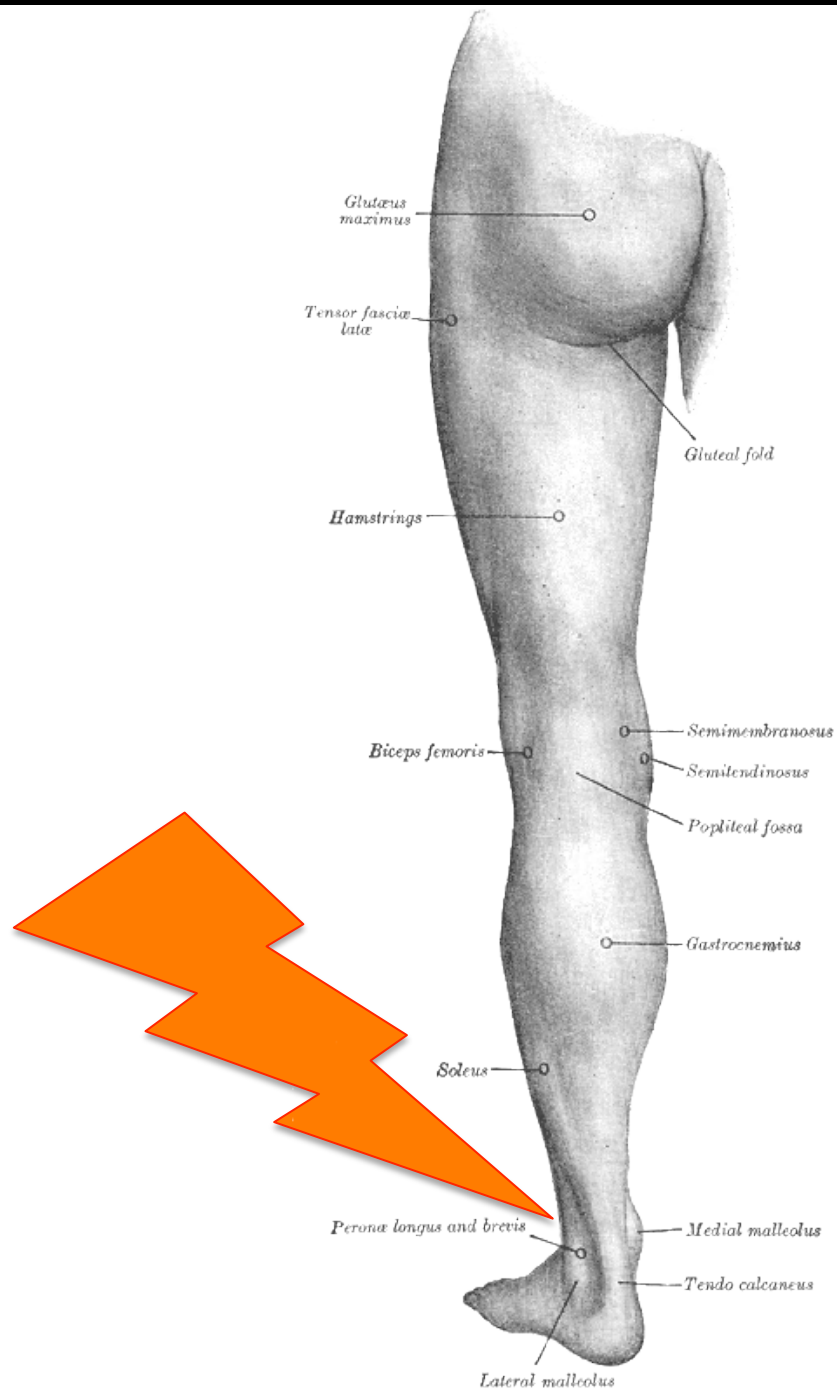


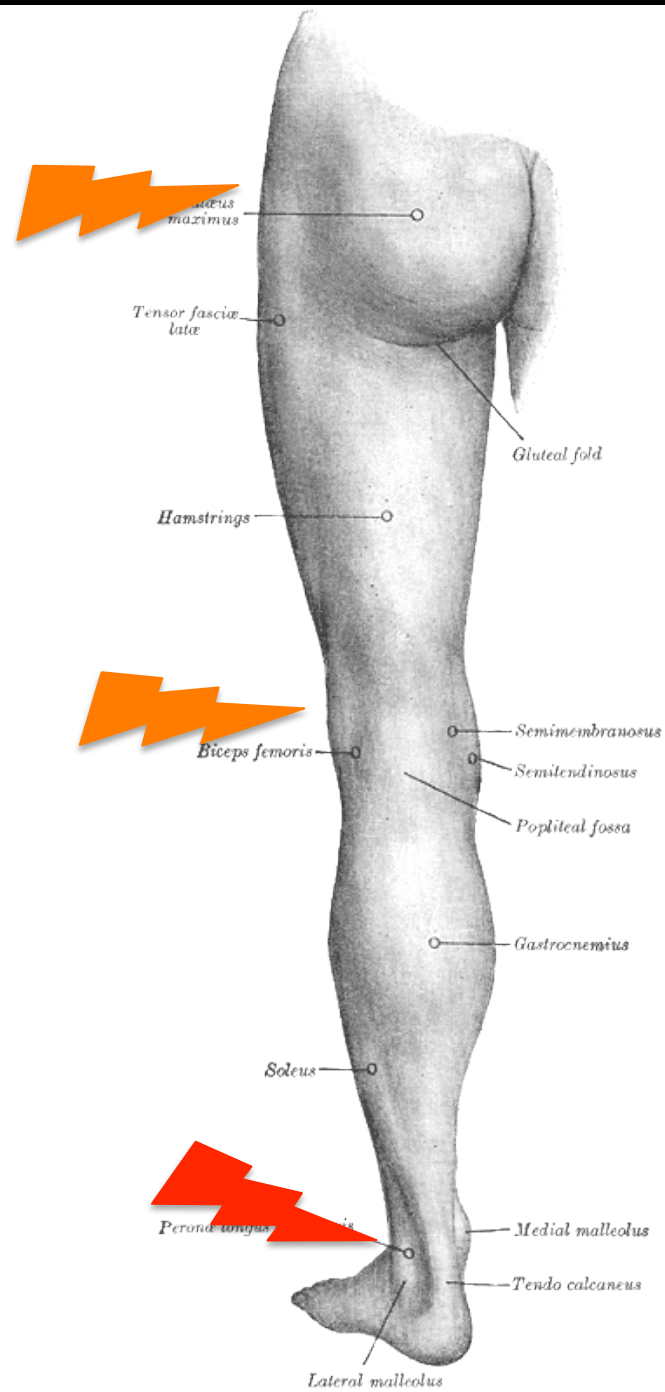




# 1. Fallacy of single points of failure







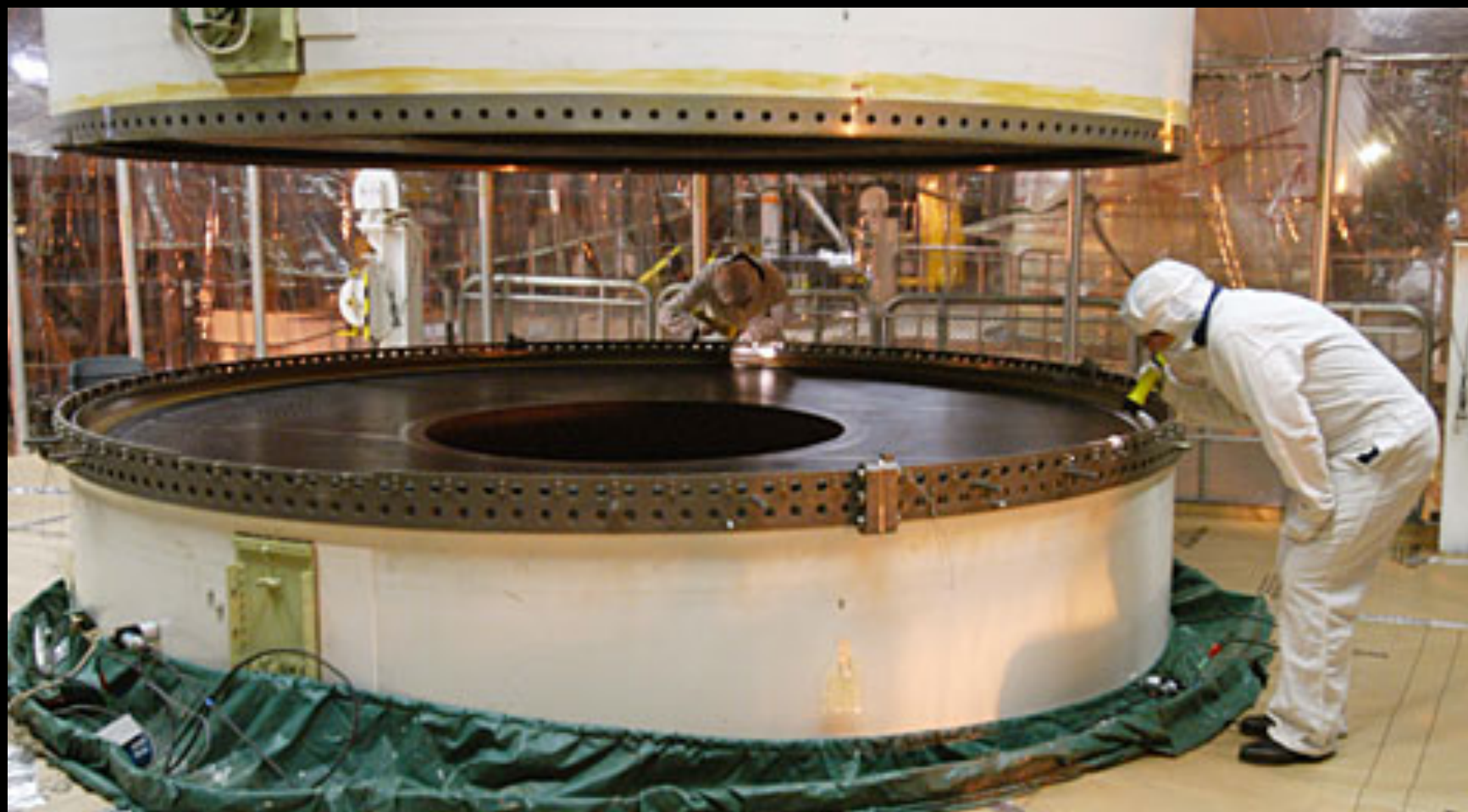










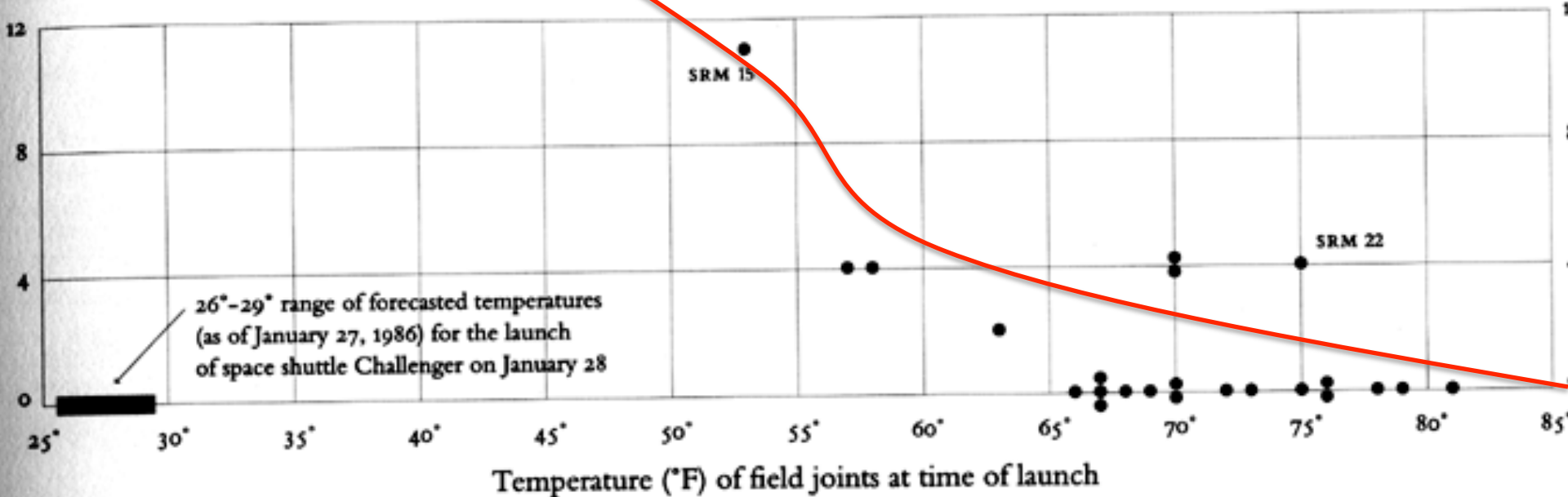


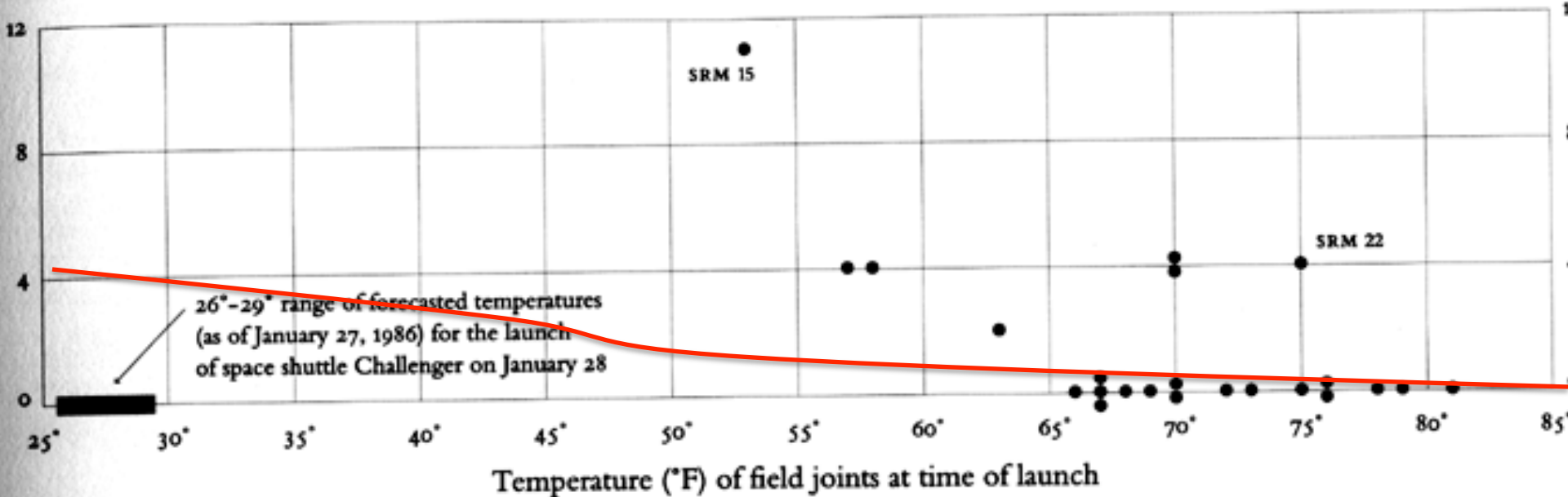


SRM  
No.SRM  
No.**SRM****SRM**

Figure 1 displays a grid of 24 pairs of vertical bars, each pair labeled with a number and a letter (A or B). The bars are arranged in two rows of 12 pairs each. The top row shows the bars with their original, unaltered appearance. The bottom row shows the bars after being subjected to a laser treatment, with various patterns of damage, including horizontal lines, dots, and changes in shading, visible on the bars. The damage patterns vary significantly between the two rows and across the different bar pairs.

O-ring damage  
index, each launch



O-ring damage  
index, each launch

The point of failure is  
probably not the cause.

It's likely not  
the real weak link.



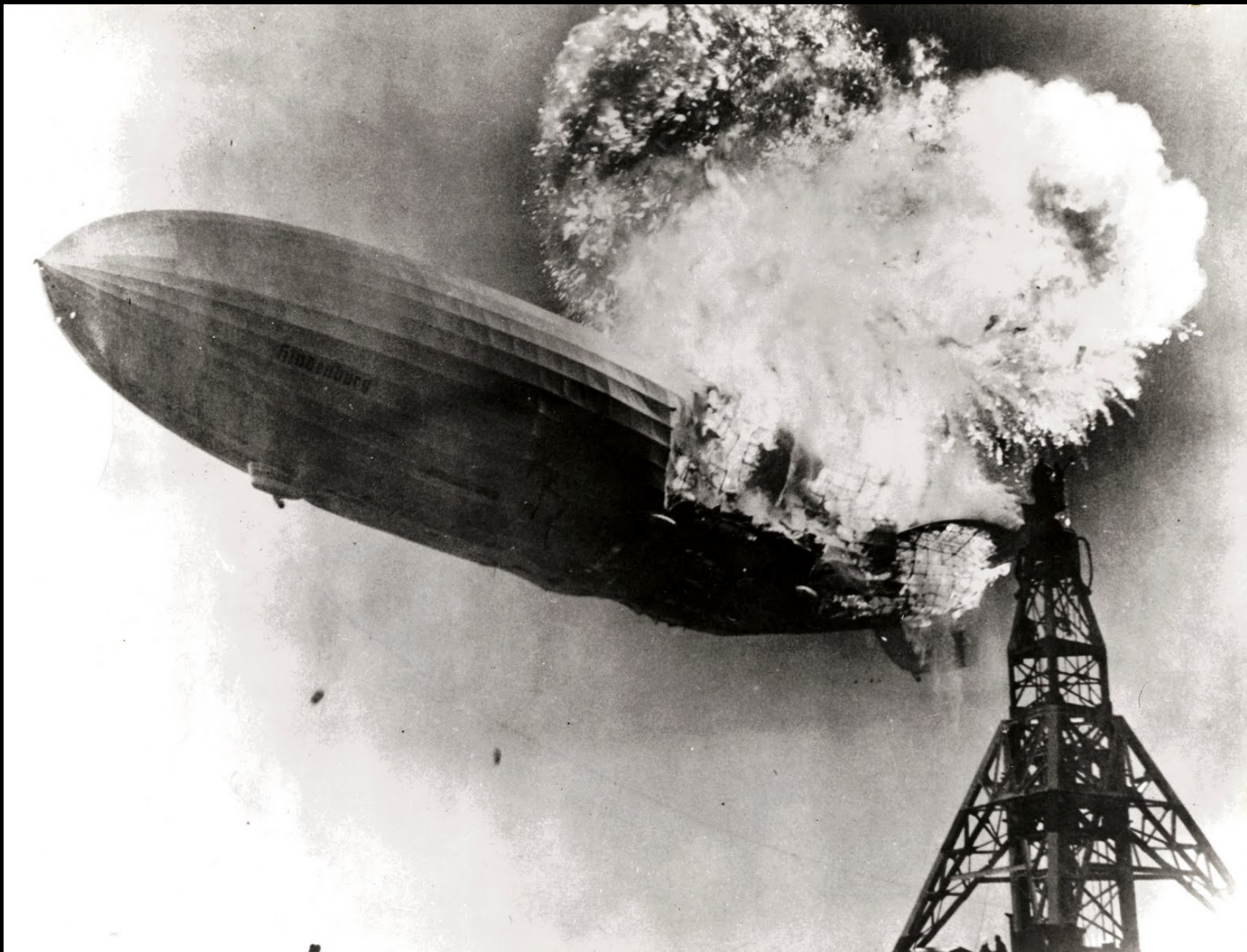
2. We prefer simple lies  
over complex truths

# NARRATIVE BIAS













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“You'll hear a lot about why company  
A won and company B lost in any  
market ...the theories thrown about,  
especially by the participants,  
are utter crap”

- Marc Hedlung

From *Why Wesabe lost to Mint*



3. Ego is essential  
yet dangerous

Heroes are inspiring, yet  
'stupid'

To be heroic includes  
ignoring common sense

# \$100 STARTUP

REINVENT THE WAY YOU MAKE  
A LIVING, DO WHAT YOU LOVE,  
AND CREATE A NEW FUTURE



CHRIS GUILLEBEAU

# LUCKY OR SMART?



SECRETS  
TO AN  
ENTREPRENEURIAL  
LIFE

BO PEABODY

37SIGNALS  
ADOBE  
ALLIANT COMPUTER  
APPLE  
HOTMAIL  
HOT OR NOT  
LOTUS  
LYCOS

# FOUNDERS AT WORK

STORIES OF STARTUPS' EARLY DAYS

ARSDIGITA  
BLOGGER  
BLOGLINES  
CRAIGSLIST  
DELICIO.US  
EXCITE  
FIREFOX  
FLICKR  
FOG CREEK SOFTWARE  
GMAIL  
GROOVE NETWORKS  
MARIMBA  
PAYPAL  
RESEARCH IN MOTION  
SIX APART  
SOFTWARE ARTS  
TICKLE  
TIVO  
TRIPADVISOR  
VIAWEB  
WEBTV  
YAHOO!

JESSICA LIVINGSTON

# THE ART OF THE START

By Guy Kawasaki  
Author of Rules for Revolutionaries

# THE STARTUP OWNER'S MANUAL



The Step-by-Step Guide for  
Building a Great Company

# The Four Steps to the Epiphany

Successful Strategies for  
Products that Win



Steven Gary Blank

# THE FOUNDER'S DILEMMAS



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# LUCKY OR SMART?



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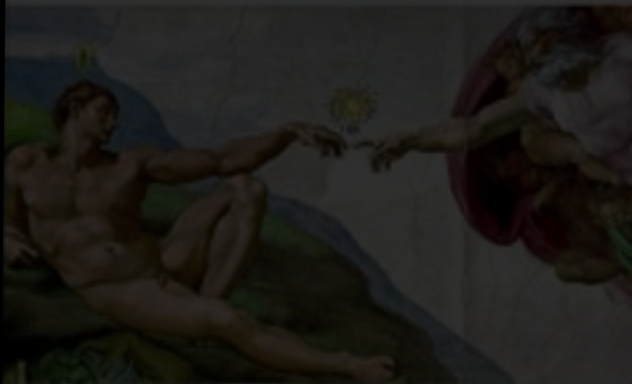
By Guy Kawasaki  
Author of *Rules for Revolutionaries*

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# THE FOUNDER'S DILEMMAS

ANTICIPATING AND  
AVOIDING THE  
PITFALLS  
THAT CAN  
SINK  
A  
STARTUP

4. We fight the last war,  
not the war we're in





Three quarters of the things on which all action in war is based are lying in a fog of uncertainty

- Claus von Clausewitz (*On War*)









BLUE CAR  
3-3-3  
4,500

LAP  
3

DRONE  
3,800

LAP  
3

DRONE  
2,940

LAP  
3



TRACK 6

DRONE 3,820

LAP 3

Those blind to fallacies when they try to

~~Those who cannot~~

learn from history  
are doomed to repeat it.

- George Santayana

# Photo Credits

- Beckam – Claudio Villa/Getty Images
- Browser war: [http://www.pcworld.com/article/220562/Retro\\_Browser\\_War\\_IE6\\_vs\\_Netscape\\_in\\_2011.html](http://www.pcworld.com/article/220562/Retro_Browser_War_IE6_vs_Netscape_in_2011.html)
- Challenger chart – Edward Tufte, Visualizing Information
- Webvan - <http://www.realbusinessrecovery.co.uk/news/tag/recession/>
- Fog of War – Todd Morris - <http://www.flickr.com/photos/alohateam/4247615684/>
- Pes.com - <http://listverse.com/2009/04/28/top-15-defunct-websites/comment-page-2/>
- Success, From *This is a Book*, Demetri Martin

# Thanks.

1. Fallacy of single point of failure
2. Narrative bias (S. lies vs. C. truth)
3. Ego is required, yet dangerous
4. We fight the last war

@berkun

