

Value of Failure

Students Course

Module 3: Causes of failure

Students Workbook

Learner Name: _____

Assessor/Tutor: _____



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Did you know that...



...the **value of failure** makes re-starters grow faster and stronger than first-timers?

I Working with this Workbook

Learning without additional working materials does seldom lead to learning success. The Value of Failure Project therefore designed additional workbooks for tutors as well as for learners to support a fast and productive learning environment. Those workbooks follow the structure of the Value of Failure Learning Resources and give additional information and content.

The Students Workbooks for each of the modules should be seen as a helping hand for learners. They provide help, tasks and additional information. Free pages give room for your individual notes.

We also recommend to study the additional literature and online resources provided on the Value of Failure Website and the Value of Failure Pearltrees Account.

Following resources are provided on the project website:

- Tutors Workbooks
- Learners Workbooks
- Presentations

To enrich the learning experience we are looking forward to your feedback:

 www.valueoffailure.com

Legend

Presentation 

Workbook 

Example 

Remember 

Digression 

Law 

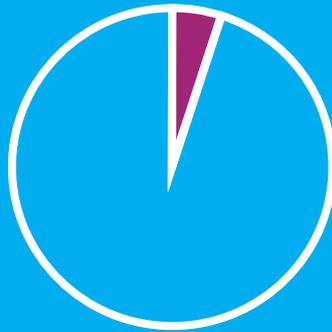
Learned 

Checklist 

Link 

Video 

Did you know that...



...only about **8 %** of failed
entrepreneurs start
over again?

II About the Project

Value of Failure is a European Union funded grass roots initiative to support a better framework for so called failed or second chance entrepreneurs. The idea is to implement a new positive approach to failure in general and to business failure in specific. The project is funded by the European Union within the Erasmus+ framework.

The approach of the project is to address this important topic from two different sides:

1. **Regional alliances** involve all important stakeholders to set up more a failing- friendly environment and funding framework. The project develops a tool-kit for other regions to develop franchises of the alliances on their own.

2. A set of **learning resources** addressing students as well as second chance entrepreneurs are set up to implement a seed for a new thinking about failure and providing in depth knowledge about failure and how to cope with it.

All materials produced are open source and can be used by anyone according to the rules provided in the disclaimer at the end of this publication.

More information about the project, the e-learning courses and the regional alliances can be found on the project website

↶ www.valueoffailure.com

The project is developed, designed and implemented by an experienced international consortium of universities, business development agencies, consulting companies and SMEs (small and medium sized enterprises) coming from Germany, Northern Ireland and Poland:

1. University of Szczecin, Poland (Project Leader)

The University of Szczecin (US) is the most powerful organisation in the West Pomeranian region. Presently over 30.000 students are following full-time, evening & part-time studies in 27 subject areas at 13 faculties. One of the most important objectives of the University is education of students and their preparation for entering labour markets. International cooperation com-

prises an extremely important aspect of US's activity. The top priorities are joint research and student & staff mobility programs.

↶ www.english.usz.edu.pl

2. Canice Consulting, Northern Ireland

Canice Consulting is a small yet established private company based in Northern Ireland which operates in the fields of local and regional development, enterprise education and management and technical support to EU networks and programmes.

Canice Consulting provides a broad range of modern learning services to predominantly the EU market place. Services include training solutions, e-learning content creation, learning technologies and learning strategy design and consulting. Learning technologies include learning portals, learning management systems, content development systems, performance support tools, virtual classroom tools and more.

↶ www.caniceconsulting.com

3. Creo Mind S.C., Poland

CREO MIND (CM) is a civil partnership established from two sole traders: Wojciech Brażuk and Prestige Brand Mariusz Woźniak. The company has wide experience in consulting services in the area of marketing, business development, strategic management and skills development. The owners of CREO MIND have been closely collaborating with the Northern Chamber of Commerce, providing their services for the largest regional chamber of commerce in Poland. Therefore CREO MIND has a strong potential in networking of entrepreneurs and in building relations among various stakeholders of regional market. CREO MIND has elaborated number of analysis and expertise on business and markets. CREO MIND is also recognized on the regional market from elaborating and realizing creative and innovative marketing campaigns and events.

↶ www.websitecreomind.com

Did you know that...



...31% of projects fail?

4. Enterprise Northern Ireland, Northern Ireland

Enterprise Northern Ireland was established in 2000 to represent the network of Local Enterprise Agencies in Northern Ireland, and is the only membership body in Northern Ireland for organisations providing enterprise support. Enterprise Northern Ireland holds national contracts with various public sector organisations which it delivers primarily through its member agencies. These contracts include the Regional Start Initiative; Social Entrepreneurship, Exploring Enterprise, Tradelinks programme and Business Bootcamp. All of these programmes are further supported by access to finance through the ENI Loan Fund and the Northern Ireland Small Business Loan Fund.

As the only membership body in Northern Ireland for organisations providing enterprise support, Enterprise Northern Ireland is at the heart of a dynamic, high profile network. Enterprise Northern Ireland also represents the interests of the wider small business sector through policy and business development, research and quality assurance, and has a strong lobbying and campaigning remit.

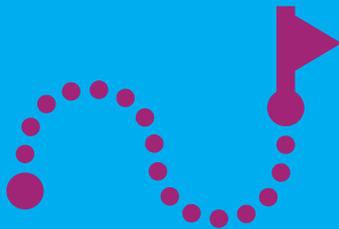
↻ www.enterpriseni.com

5. The visionworks, Germany

The Visionworks is a small company specialized on consulting, coaching, marketing and project management especially for (micro) SMEs and Start-ups. For its clients the visionworks develops investor ready business plans and financing concepts and accompanies founders until the closing of financing. The visionworks has international contacts to public and private investors and has also worked extensively with all relevant regional stakeholders and institutions which are relevant for the regional Second Chance Entrepreneurs Alliance. Despite that the visionworks has great experience in developing learning courses and learning environments for adult education as well as for students.

↻ www.thevisionworks.de

Did you know that...



...88% of projects
are past the deadline?

III About this Course

Course Overview

The Value of Failure Course was designed for adult learners, including high-school teachers, undergraduates and the interested public. For teachers and tutors, the course will look at advances in psychological knowledge about failure which helps them to integrate this important topic into their teaching. For adult learners, it will help them to appreciate the positive effects of failure and their potential impact on their everyday life. The goal of the course is to make the existing positive effects of failure accessible to everybody.

The course can be used in a classroom environment as well as a self-contained distance learning course. Distributed free of charge on the Value of Failure project website.

← www.valueoffailure.com

Course Components

The syllabus of the Value of Failure course is divided into seven different units called modules Each of them focussing on different aspects of failure.

- Module 1:** Basics of failure
- Module 2:** What is Failure
- Module 3:** Causes of Failure
- Module 4:** Preventing Failure
- Module 5:** How to detect Failure
- Module 6:** Coping with Failure
- Module 7:** Learning from Failure

Each module is divided by sub-sections and can be used as a stand-alone learning session. Therefore each module starts with an introduction about the course which can be skipped if you have studied the previous modules already . All modules include additional resources such as videos and also provides questionnaires, examples and tests where appropriate.

Did you know that...



...the average cost overrun
of projects is **189%**?

IV About this Module

Module 3: Causes of failure

Introduction

In the first 2 modules of this course we have learned that different personal mindsets result in different perceptions of success and failure, and that there is nothing like a typical failure. Each failure is different and, depending on what we draw out of it, there is “good”, “productive” and even “happy” failure.

We do need failures for personal growth and learning. But still, preventing failure and succeeding in the big picture should remain option no. 1. To do so, we have to analyse where failures result from. This is the first step of effective planning.

In this module we want to research the backgrounds of attribution theory. Attribution theory categorises the reasons we personally give for failure and success. Those backgrounds are important for the following modules - especially when it comes to coping with failure and learning from failure.

Each task is different and provides numerous risks for failure. To prevent failure we do have to understand and analyse the potential risks and causes. Root cause analysis is an effective tool to both, reactively and proactively investigate the situations, events and actions that harmed our performance or has the potential to do so.

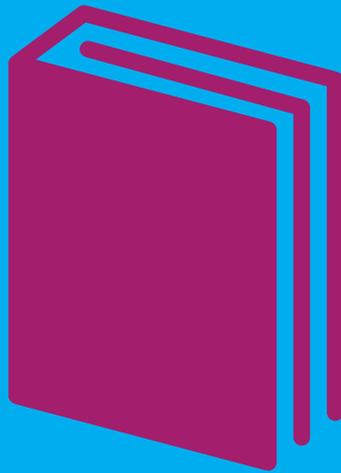
Not everybody has to do the same mistakes - this is an important part of social learning (see module 7). Or at least it should be part. Looking at statistical data, we actually do the same mistakes over and over again. The last section provides a list of typical failures of projects - hoping that you draw some learnings out of this and try to prevent making the same mistakes others did for you already.

Additional information can be found on our website and our Pearltrees-Account:

↶ www.valueoffailure.com

↶ www.pearltrees.com/thevalueoffailure/

Did you know that...



...Stephen King threw away his entire draft of “Carrie”? His wife found it in the trash and the book later launched his career with now more than 350 Million books sold.

V Learning Achievements



In this module you will learn about:

Achieved

Date

1. Attribution theory

You will learn the basics of attribution theory and understand the reasons we give for failure and success.

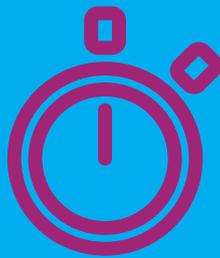
2. Root cause analysis

You will learn the basics of root cause analysis and practice how to use it with personal examples.

3. Typical causes of failure

You will explore typical causes of project failures.

Did you know that...



...the average time overrun of projects is **222%**?

Module 3: Causes of failure

Chapter 3.1 Attribution theory

How do we attach meaning to other's behaviour - or our own? How do we attach meaning to failure or success?

Attribution theory tries to explain how a social perceiver uses information to arrive at causal explanations for events. It examines what information is gathered and how it is combined to form a causal judgment (Fiske, & Taylor, 1991). Heider (1958) was the first to propose a psychological theory of attribution, but Weiner and colleagues (e.g., Jones et al, 1972; Weiner, 1974, 1986) developed a theoretical framework that has become a major research paradigm of social psychology.

With regard to failure, attribution theory explains how and why we are explaining failures the way we do.

Definitions:

Attribution theory:

Attribution theory attempts to categorise the reasons we give for failure and success.

Attribution:

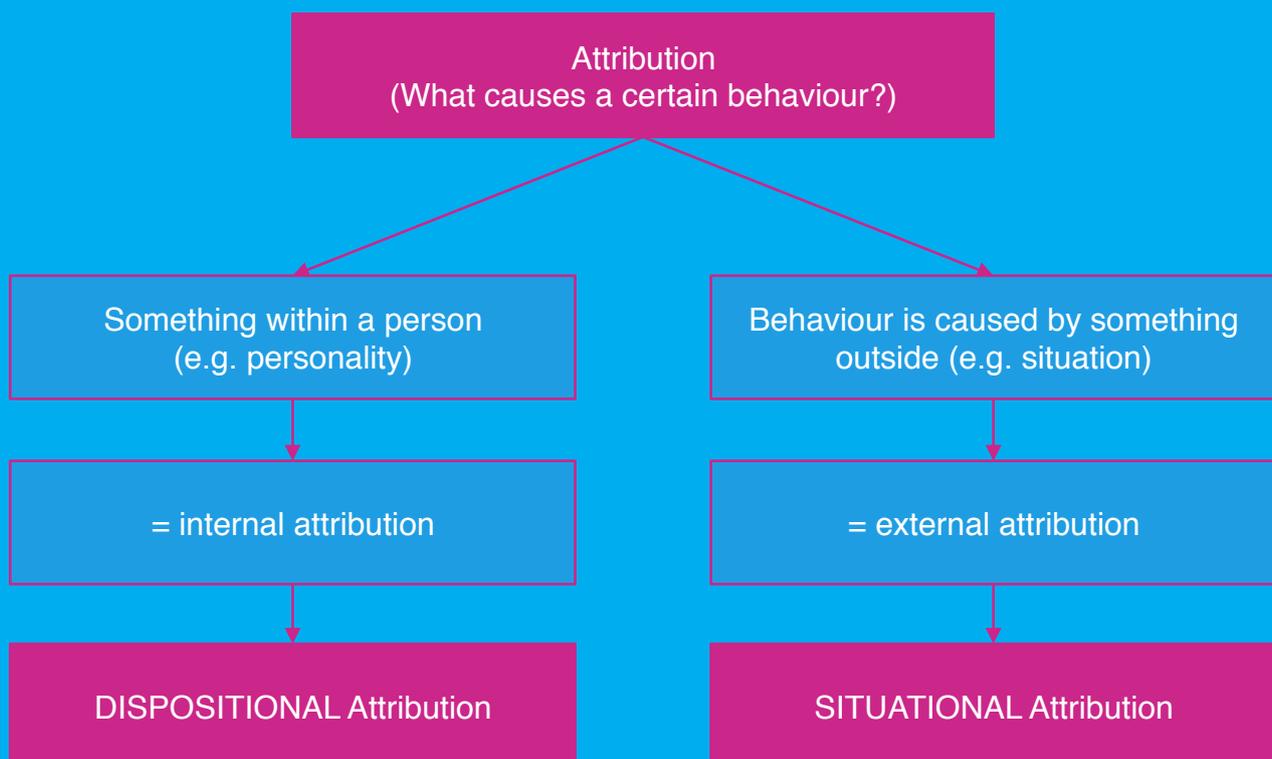
Attribution can be defined as the perceived causes of events and behaviour.

Attribution can be dispositional or situational.

Effects:

Attribution of an event can affect future effort and performance.

Figure 3.1: Attribution



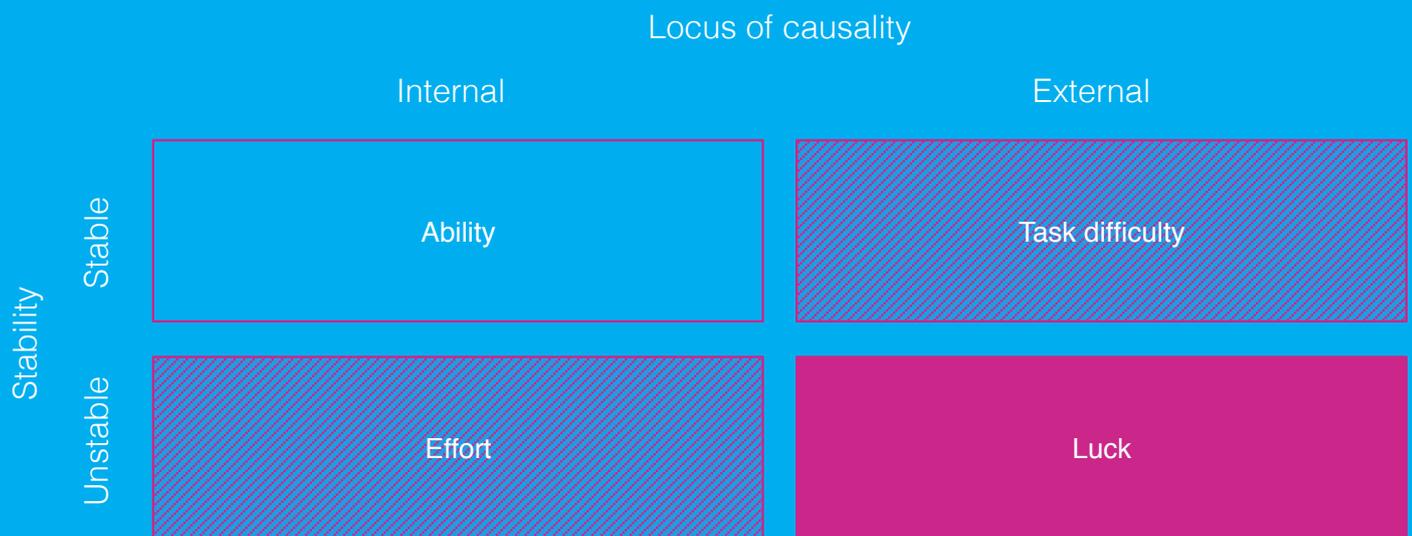
Did you know that...



...that James Dyson created
5,126 failed prototypes of his
vacuum cleaner before succeeding?

Weiner's theory has been widely applied in education, law, clinical psychology, and the mental health domain. There is a strong relationship between self-concept and achievement. Weiner (1980) states: "Causal attributions determine affective reactions to success and failure. For example, one is not likely to experience pride in success, or feelings of competence, when receiving an 'A' from a teacher who gives only that grade, or when defeating a tennis player who always loses... On the other hand, an 'A' from a teacher who gives few high grades or a victory over a highly rated tennis player following a great deal of practice generates great positive affect."

Figure 3.1: Weiner's Attribution Theory



According to Weiner, two dimensions are important for Attribution: Stability and causality.

While some factors are fixed for a certain time, others can change dramatically depending on the situation.

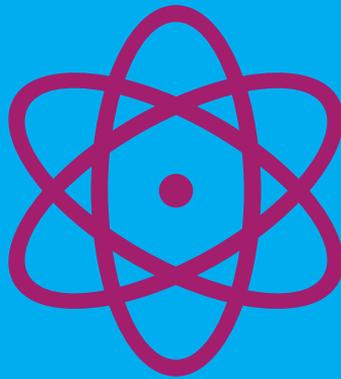
- Locus of stability:
- Stable factors
 - Unstable factors

Stable reasons are based on past experience and are reasons for success or failure that are unlikely to change in the short term. They are relatively permanent.

Unstable factors, such as the own effort put in a task, can change in the short term even within the tasks - depending on the situation.

If reasons can be changed, we might expect a different outcome next time and continue to strive for improvement.

Did you know that...



...Albert Einstein had some communication and learning difficulties in school?

Also the locus of causality can be divided in two broad categories.

Locus of causality:

- Internal causes
- External causes

This dimension assesses the extent to which the reasons for success or failure are due to the personal control of the performer.

Internal reasons are within the performer's control and it is felt that some personal influence may be exerted on the outcome. This affects the amount of input and effort spent.

External reasons are out of personal control and might exert little influence in the future.

Task 3.1 Attribution of success and failure

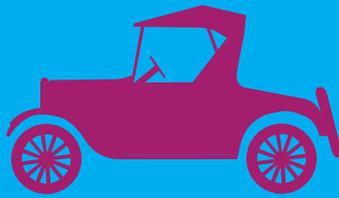
Go back to the 2 personal examples of success and failure you chose in module 1 (if you did not do that, go back to module 1 and do task 1.1).

Analyse both examples using Weiner's Model.

Example 1: Success

		Locus of causality	
		Internal	External
Locus of Stability	Unstable		
	Stable		

Did you know that...



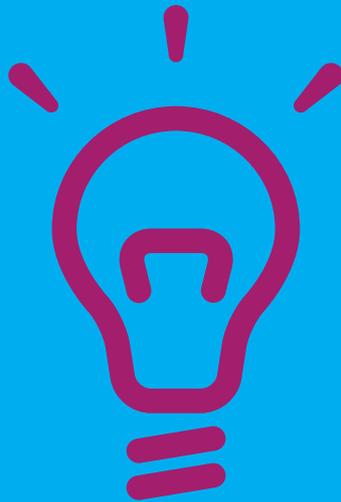
...Henry Ford failed with a couple of automobile businesses before he learned from his failures and revolutionized the automotive industry?

Example 1: Failure

		Locus of causality	
		Internal	External
Locus of Stability	Unstable		
	Stable		

Which factors differ from each other in the two examples of success and failure?

Did you know that...



...Thomas Edison has been told by his teachers to be “too stupid to learn” before he invented some world-changing gadgets and applied for more than 1000 patents?

Chapter 3.2 Root cause analysis

In the chapter above we learned about the basics of attribution theory - the process how and where we attribute certain events to. This is a very personal and subjective process. Now we want to look at reasons for success and failure in a more objective way.

One method to find out the reasons for success and failure is the so called **Root Cause Analysis (RCA)**. RCA is a process designed for use in investigating and categorizing the root causes of events with safety, health, environmental, quality, reliability and production impacts. Simply stated, RCA is a tool designed to help identify not only which kind of event occurred, but also why it occurred. Only when we are able to determine why an event or failure occurred we will be able to specify workable corrective measures that prevent future events of the type observed.

Often used in healthcare, RCA can also be very helpful for personal purposes.

Definitions: Important terms around Root Cause Analysis (RCA)

Root Cause:

Underlying cause(s) of positive or negative symptoms within any process that, if resolved, would eliminate or substantially reduce the symptom.

Root Cause Analysis:

A tool used both reactively, to investigate an adverse event that already has occurred, and proactively, to analyse and improve processes and systems before they break down (Preuss, 2003).

Data Analysis:

The process of gathering, reviewing, and evaluating data.

Symptom:

A gap between expectations and reality.

Generally, mistakes do not just happen but can be traced to some well-defined causes. There are different strategies/approaches to determine root causes. Here are two examples:

The "5 Whys":

A process to seek root cause by asking "why" five times in succession - this will lead you to the root cause of a problem:

- Write down the specific problem.
- Writing the problem makes sure that everybody in the team focuses on the same problem.
- Ask why the problem happens and write down the answer.
- Repeat 5 times until there is an agreement in the team that the problem is identified.

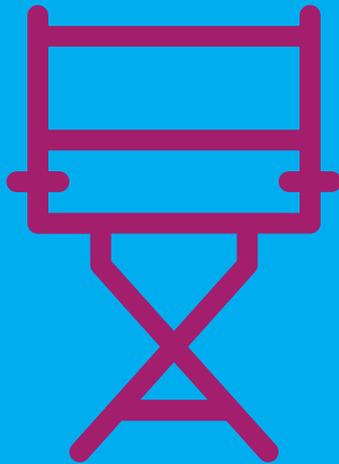
System Planning Process:

Problem solving approach asking 4 major questions like this:

- Where are we now?
- Where are we going?
- How will we get there?
- What is holding us back?

You can easily adopt those questions to any problem in the past as well.

Did you know that...



...Steven Spielberg was rejected by the University of Southern California School of Cinematic Arts multiple times before he won three Academy Awards?

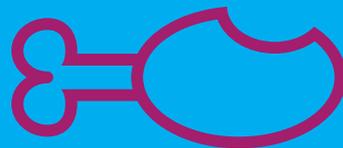
Task 3.2 Root cause analysis - the “5 Whys”

Use a personal example for a tasks where you have failed. Ask yourself 5 “Why-questions” and answer them (one after the other). Repeat this 5 times, until you feel very clear about the root cause of your failure.

Your Problem: _____

Question 1.1:	Answer 1.1:
Question 1.2:	Answer 1.2:
Question 1.3:	Answer 1.3:
Question 1.4:	Answer 1.4:
Question 1.5:	Answer 1.5:
Question 2.1:	Answer 2.1:
Question 2.2:	Answer 2.2:
Question 2.3:	Answer 2.3:
Question 2.4:	Answer 2.4:
Question 2.5:	Answer 2.5:

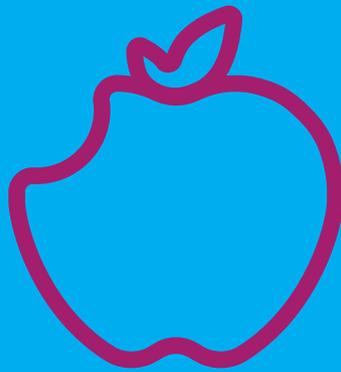
Did you know that...



...Colonel Harland David Sanders
was fired from dozens of jobs before
founding KFC - one of the worlds best
known franchise brands?

Question 3.1:	Answer 3.1:
Question 3.2:	Answer 3.2:
Question 3.3:	Answer 3.3:
Question 3.4:	Answer 3.4:
Question 3.5:	Answer 3.5:
Question 4.1:	Answer 4.1:
Question 4.2:	Answer 4.2:
Question 4.3:	Answer 4.3:
Question 4.4:	Answer 4.4:
Question 4.5:	Answer 4.5:
Question 5.1:	Answer 5.1:
Question 5.2:	Answer 5.2:
Question 5.3:	Answer 5.3:
Question 5.4:	Answer 5.4:
Question 5.5:	Answer 5.5:

Did you know that...



...Sir Isaac Newton failed miserably running the family farm after being pulled out of school by his mother? Later she realized that he was not a farmer at all and she let him finish his education.

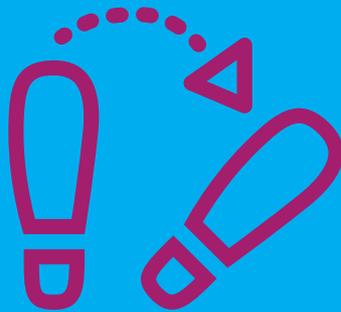
Task 3.3 Root cause analysis - System Planning Process

Use a personal example for a complicated tasks you are facing. Try to find out root causes for this task.

Your Problem: _____

<p>Where are you now? Examples: What are the facts? What worked well? What can be improved?</p>	
<p>Where are you going? Examples: What do you want to achieve? What is the expected outcome?</p>	

Did you know that...



...Fred Astair has been judged as follows after his first screen tests:
“Can’t sing. Can’t act. Slightly balding.
Can dance a little.”

How will you get there?

Examples:

What steps must you take to ensure you reach the outcome?

What is holding you back?

Examples:

Is there support for improvement planning and implementation?
What roadblocks must you overcome in order to reach the expected outcome?

Did you know that...



...R.H. Macy failed with a couple of businesses before he started Macy's and became Americas No.1 retailer with about 800 stores?

Chapter 3.3 Typical causes of failure

Failure is a topic most of us would rather avoid (even though we already learned that failure isn't all bad). In the first modules of this course we examined different definitions of failure and realized that failure is an important part of learning. But still we learn from our own failures and through social learning also from ones we did not have to do on our own - there is still some failures that are very common and happen over and over again.

Categories of failure: Causes of failure can occur on different levels

- **Human failure:** Human failure is a failure that occurs at an individual level
- **Technical failure:** Technical failure is a failure resulting from location or equipment
- **Organizational failure:** Organizational failure is a failure because of organizational rules, policies, or procedures

Categories of failure causes: There are different categories of failure causes

- **Assumption causes:** An essential piece of information cannot be verified and is guessed or presumed
- **Selection causes:** Two or more options exist, and the wrong option is chosen
- **Capture causes:** Focus on a task is diverted elsewhere and an error goes undetected

Typical causes of failure: Typically for failure are...

- **Poor planning:** Not starting from the right way
- **Lack of leadership:** Not agreed on or fulfilling duties
- **Inadequate knowledge:** Not the right skills
- **People problems:** Personal issues
- **Technical problems:** Not equipped the right way

Summary

The goal of this module was to understand how we personally attribute causes for success and failure and how we objectively find out why certain events happen. We are now able to analyse failures in the past and how to use the learned tools to prevent failure in the future.

Additional information, literature and resources can be found on our website and our Pearltrees-Account:

↶ www.valueoffailue.com

↶ www.pearltrees.com/thevalueoffailure/

V Disclaimer

The Value of Failure Project has been funded with support from the European Commission. The author is solely responsible for this publication (communication) and the Commission accepts no responsibility for any use may be made of the information contained therein.



Erasmus+



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