

# Why aren't you celebrating failure?



Most leaders like to celebrate success. But if you want employees to innovate, think about the benefits of celebrating failure, too.

After all, no less sweat, toil or creative energy goes into major projects that don't happen to pan out. And the type of employee who dives headlong with enthusiasm into what may well be a fruitless endeavor is someone you need to keep.

Let's look at pharmaceutical companies, for example. They experience far more disappointments than breakthroughs when trying to formulate new drugs. Roughly 1 out of 10,000 compounds tested during drug development wind up as approved medicines.

If drug CEOs waited for those rare successes to throw a party, there would be precious few celebrations. That's why recognizing well-intentioned misfires makes perfect sense.

At Ironwood Pharmaceuticals, a biotech firm in Cambridge, Mass., researchers enjoy a spirited gathering (sometimes complete with seven-layer dip!) after they abandon a drug that proves ineffectual in early-phase testing. They call these events "drug wakes."

Staffers often bake cupcakes frosted with letters spelling out the failed drug's main ingredient. At one such party, an employee declared, "It's hard to say goodbye, so I won't. I'll say, 'Thank you—thank you to the peptide.'"

Ironwood has held six drug wakes so far. Rather than bemoan failed research, attendees choose to adopt a fun, festive attitude. Team leaders also assure employees that they won't lose their jobs, while shifting their focus to the next project.

It's not just Ironwood that chooses to accentuate the positive; other drug makers celebrate failure on a regular basis. Bristol-Myers Squibb's senior executives give "Bravo Awards" to employees who toil on drug projects that don't pan out. AstraZeneca hosts an annual black-tie gala that it calls the "Science Oscars" in which its most innovative scientists bask in acclaim—even if their experiments didn't lead to drug approvals.

— Adapted from "[Celebrating Failure in a Tough Drug Industry](#)," Jonathan Rockoff, [www.wsj.com](http://www.wsj.com).