

Dr. Adam Shore's research into entrepreneurial learning and business failure has identified key conceptual developments, specifically in relation to negative emotions and re-entry into entrepreneurship. Dr. Shore is an experienced leader within higher education and is the Principal Investigator of multiple European funded projects. Dr. Shore's personal practical experience of business start-ups provide a unique perspective into the application of entrepreneurial leadership approaches. This blog was first published on the website of Higher Education Policy Institute, HEPI.'

# Learning from failure in higher education institutions

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**F**ailure isn't something you often hear discussed within the corridors of higher education institutions. Yet critical setbacks and failures are ubiquitous, from programmes failing to recruit sufficient numbers of students to projects either not achieving their outputs or else failing to secure sufficient financial support. Institutions, however, can be debilitatingly slow to see failure and assess its cost. Indecision and individual pride lead to the slow death of projects or programmes. Things are not too different in the entrepreneurial world. Failing projects and businesses elicit negative emotional responses that affect the health, wellbeing and performance of employees, and there are perhaps lessons to be learnt for higher education institutions from the field of entrepreneurial failure.

Failure is often celebrated in the culture of entrepreneurship as a positive force for learning. In entrepreneurial communities, it is not unusual to hear statements such as, 'fail often', 'fail fast' and 'fail forward', with the implication being that failing promotes learning. But outright failure can have many negative consequences<sup>2</sup> for an individual's mental and physical health and their relationships with friends, colleagues and family. Failure has many implications. Significant failure in business has been seen to cause a strong emotional response akin to the grief experienced after losing a loved one.

## Learning from failure in higher education institutions

Failure can provide opportunities for learning, and there are many examples of people saying that they have learnt from their mistakes. When you dig a little deeper, though, and look at the specifics, sometimes it is harder to identify what has been learnt and if it has resulted in a change of behaviour. Having experienced failure does not necessarily imply that you know why a project failed or how to avoid similar mistakes happening in the future. Research shows<sup>3</sup> that in some cases the negative impacts of failure can act as a barrier to learning. The process of looking back at what went wrong may result in embarrassment, ill-feeling and anxiety. Often, individuals will therefore seek to avoid experiencing negative emotions by moving onto new projects, but this risks avoiding reflections on what went wrong and learning from past mistakes.

Individuals who have failed or been part of a failed project have developed a level of knowledge and understanding that is extremely valuable and can offset the so-called 'liability of newness'. Research suggests that entrepreneurship is a process, and failure is part of it.<sup>4</sup> If we disregard those who have failed as 'not being able to cut it', we stand to miss out on a wealth of experience and learning opportunities. Society invests in the training and development of entrepreneurs (through funded start-up programmes, for example), and therefore re-entry into entrepreneurship will be

## Epic fails

cheaper, and possibly result in additional economic benefits (such as employment, contribution to GDP, etc). For higher education institutions, those involved in project delivery will have gained essential experience that can be transferred to new projects or assist with assessing the risks of potential future projects.

Often, however, individual projects are not seen as part of a long-term strategy. More rigorous evaluation of lessons learned from an institutional perspective will improve future ventures. Learning vicariously from the experiences of other projects is essential to developing an entrepreneurial skillset that will improve the ability of organisations to assess risk and more.

Reflection and evaluation are not often given sufficient space or priority within higher education settings, where individuals on fixed-term contracts may move on to new projects prior to the end of their contract in order to secure their employment status. Has the monetisation of higher education meant that organisations 'chase the money', rather than have coherent long-term plans? Although programme closures have roll-out periods, insufficient attention may be given to lessons learned or the emotional impact of the closure on the programme team.

As with many start-ups, new projects within higher education tend to be under-resourced, particularly when it comes to investing in robust systems for analysis and forecasting. Project proposals are therefore often written with a focus on the best-case output scenario, with little contingency planning in place. We need additional training for principal investigators on recognising failure and failing projects. We also need to see suitable mechanisms to encourage reflection and learning shared across the institution, with institution-wide support in place for individuals suffering from a negative emotional response to failure. Finally, we need sufficient data capture and analysis systems to ensure that all this information is management in a timely and efficient manner.

### Preparing students for failure

Risk-taking is not prevalent in education. Consistency and low risk are more highly valued by metrics. Yet resilience, creative thinking, coping with ambiguity and dealing with adversity are key skills that employers and future leaders require, and it is our mission at Liverpool Business School to help our students develop these key skills. By exposing our students to uncertainty through experiential learning environments, we provide them with 'live' experiences from which they can develop their reflection skills. By experiencing ambiguity and uncertainty in a 'safe environment', students are better prepared to cope with setbacks in the future.

### Supporting economic recovery and development

There is a pressing need for leadership and management development in the UK to address the country's productivity challenge. As universities, our research has a direct impact on research and development. At Liverpool John Moores University, we work with a large number of organisations and businesses to support the development of schemes, policies, and new ways of thinking that will directly impact the economy. Our work reflects our vision to be a 'pioneering modern civic university' and our ongoing commitment to the transforming power of education.

At Liverpool Business School, we work with our students and partners to develop live projects where students apply knowledge and insight into real challenges that are put forward by organisations. Organisations benefit from the support received, and students benefit by gaining new skills and experiences. In live projects, outcomes are undetermined and there is a risk that projects and interventions will fail. Students are thereby exposed to the ups and downs of project management, and to the real-life setbacks that are difficult to simulate. Students are trained to develop their reflection and critical analysis skills and encouraged to identify what went wrong and how they might change their approach in future. Assessments focus less on project outcomes than on processes and critical reflections. By developing graduates with these vital skills, we have a direct impact on economic growth, ensuring that future leaders will be fully equipped to identify and cope with failure – and thereby succeed.

### **Dr. Adam Shore**

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### Notes

1. Blog published first on <https://www.hepi.ac.uk/2022/10/27/learning-from-failure-in-higher-education-institutions/>, copied with consent from Dr. Shore and HEPI.
2. Shepherd, D. A., Patzelt, H., & Wolfe, M. (2011). Moving Forward from Project Failure: Negative Emotions, Affective Commitment, and Learning from the Experience. *Academy of Management Journal*, 54 (6), <https://journals.aom.org/doi/abs/10.5465/amj.2010.0102>
3. Shore, A., Pittaway, L., & Bortolotti, T. (2018) Evaluating Entrepreneurial Learning from Failure Through a Grief Lens. In: *International Small Business and Entrepreneurship*, 06 November 2018 - 08 November 2018, Birmingham. <https://researchonline.ljmu.ac.uk/id/eprint/10107/>
4. Cope, J. (2011). Entrepreneurial learning from failure: An interpretative phenomenological analysis. *Journal of Business Venturing*, 26(6), 604-623. <https://www.sciencedirect.com/science/article/abs/pii/S0883902610000571>