

## Positive Risk Taking at a Glance

This one-day seminar introduces the concept of *positive risk* within an orientation toward organization change and innovation and helps participants improve their skills in positive risk taking. Course objectives are pursued through a variety of learning methods including facilitator presentation, small-group exercises, individual exercises, and whole-group discussion. The seminar is designed for use in on-site training in specific companies.

### Audience

1. The target audience is participants in the onsite Organization Change Agent certification program. Participants may come from all functional groups and a variety of levels, but the program is tailored primarily to middle managers.
2. Titles of possible participants include: supervisor; group/team lead; manager; director; or assistant/associate director of a site, department or unit, or functional group.

### Course Tailoring

It is hoped that the only tailoring will be to the industry and company, such as in the examples and stories, analogies, etc., that are used rather than the basic course content. Facilitators are encouraged to obtain and use the client company's ethics policy or standards and any materials related to the company's organization change initiative.

# Course Competency and Learning Objectives

## Definition of Positive Risk Taking Competency

For this workshop, we define the Positive Risk Taking competency as follows:

- Understanding of *risk* as a neutral rather than negative term
- Insight into participants' own orientation toward risk
- Ability to build on strengths and compensate for weaknesses
- Ability to specify intended actions and outcomes
- Ability to choose one goal to pursue from among many
- Ability to evaluate outcomes in terms of likelihood and impact
- Ability to marshal resources to increase the likelihood of success
- Ability to identify and overcome barriers to positive risk taking
- Ability to inspire positive risk taking in a team

## Rationale

Positive risk taking is an indispensable part of organization change. Innovation requires that employees at all levels have the power to take risks. Middle managers are key to innovation not only in their departments but also in the company as a whole, as their actions (or inactions) can have enormous impact on speed and quality of delivery, customer satisfaction, and other vital business factors. Most employees below senior levels have little experience in taking positive risks because most corporate cultures in the U.S. have, until recently, discouraged initiative and risk taking. Companies that want to empower organization change agents throughout the company therefore need middle managers who have developed the knowledge, skills, and abilities necessary to evaluate potential positive risks and to act on their evaluations. These employees must also know how to disseminate the values of positive risk taking throughout their teams.

## Learning Objectives

*Successful completion of this course will increase participant knowledge and ability to:*

1. Accept risk as a necessary factor in successful innovation and as a normal part of business and of life
2. Evaluate their own capacity for positive risk taking; build on strengths and compensate for weaknesses
3. Evaluate positive risks using objective methods
4. Apply corporate and personal values and ethics to potential positive risks
5. Overcome corporate, team, and personal barriers to positive risk taking
6. Encourage positive risk taking in their teams

# Trainer Notes

Visual Aid	Facilitation Notes	Supporting information
	<p><b>Workbook Page Title(s): The Rewards of Positive Risk: Your Experience</b>  <b>Time Allotted: 20 min</b></p> <p><b>Setup:</b>            You may not think of yourself as much of a risk-taker, but in fact we all take risks all the time. We're going to consider our own experiences with positive risks.</p> <p><b>Individual activity:</b> Take a few minutes to think about a time you took a positive risk, and a time when you thought about a positive risk but didn't take it. Use the workbook questions to guide your thinking. If you can think of a positive risk you took in your current job, use that—a new hire? A suggestion to upper management? A change in the way your department does business? If you can't think of an example from your current job, use one from a previous job. Changing jobs almost always involves positive risk, so you could use that. Or use something from your personal life if that's what jumps out at you.</p> <p><b>Small-group activity:</b> Share the one thing that most stands out from this reflection with your group. Two minutes per person!</p> <p><b>Whole-group discussion:</b>            How many of you had mostly positive outcomes from your positive risk?            Of those, how many learned something?            How many had mostly negative outcomes?            Of those, how many learned something?</p>	

Visual Aid	Facilitation Notes	Supporting information
<p><b>OH: Risk &amp; Learning</b></p> <p><b>OH: Rewards of Positive Risk (1)</b></p>	<p>How many regret <i>not</i> taking the risk you considered but didn't pursue?</p> <p><b>Display OH:</b> We often regret the road not taken. On the other hand, we learn more from our failures than from our successes. Innovative companies know they have to embrace failure if they want to encourage positive risk. For yourself, if this risk doesn't pan out, you'll know more for the next one.</p> <p><b>Display OH:</b> If you don't take a chance, you can't succeed.</p> <p><b>So what:</b> By definition, taking a risk includes the possibility of failure. But the possibility for success is certainly greater if you take a risk than if you do nothing!</p> <p><b>Pivot:</b> Many of you have your own success stories. Let's look at others from great companies.</p>	

# The Rewards of Positive Risk: Your Experience

Think of a time when you have taken a positive risk — preferably in your current job, in a previous job, in changing jobs, or in your personal life. When did you take a chance, hoping for a positive outcome?

1. What positive risk did you take?
2. What happened?
3. Would you say the outcome was more positive or more negative?
4. Did you learn anything from this experience? If so, what?

Now think of a time when you considered a positive risk **but did not take it**.

1. What did you consider?
2. Why did you decide not to take the risk?
3. What happened?
4. How do you feel about that decision now?

# The Rewards of Positive Risk: Innovative Companies

The road to business success is innovation. Innovation requires risk. Compare the stories of companies that embraced risk with those that stuck to business as usual.

<p><b>Apple</b></p> <ul style="list-style-type: none"> <li>• Founders Steve Jobs and Steve Wozniak built a new kind of computer in Jobs' parents' garage.</li> <li>• Mac-PC wars drained energy and cash; Apple looked like it was sinking.</li> <li>• Apple looked beyond computers to market iPod and iTunes, then iPhone; revenues and share price grew about 30 percent a year.</li> </ul>	<p><b>Dell</b></p> <ul style="list-style-type: none"> <li>• Founder Michael Dell put together computers to sell direct to consumers out of his dorm room.</li> <li>• Direct-to-consumer model made Dell one of America's fastest-growing companies.</li> <li>• Direct-to-consumer model unpopular overseas; Dell lost market leader position and share price fell.</li> </ul>
<p><b>Cytc</b></p> <ul style="list-style-type: none"> <li>• Start-up company planned to develop computer system for reading Pap smears, but poor quality of slides made computer imaging impossible.</li> <li>• Developed Thin Prep Pap and better quality images.</li> <li>• Facing limited resources, abandoned computer imaging to focus on Thin Prep.</li> <li>• Acquired in 2007 by Hologic, now No. 1 in cervical cancer screening and other women's health areas.</li> </ul>	<p><b>SunRocket</b></p> <ul style="list-style-type: none"> <li>• Founded in 2004 to enter expanding VoIP (Voice-over Internet Protocol) market.</li> <li>• In response to fierce competition and a lawsuit with Vonage, SunRocket kept offering the same services but drastically cut prices.</li> <li>• SunRocket closed in 2007, leaving customers stranded with no phone service.</li> </ul>
<p><b>Whirlpool</b></p> <ul style="list-style-type: none"> <li>• 2001: Faced recession, global competition, and consumer confusion with Maytag.</li> <li>• Instituted culture of innovation, soliciting ideas and encouraging risk from all employees at all levels.</li> <li>• Acquired Maytag in 2006.</li> </ul>	<p><b>Maytag</b></p> <ul style="list-style-type: none"> <li>• 2001: Faced recession, global competition, and consumer confusion with Whirlpool.</li> <li>• Instituted cost-cutting measures, laid off 20 percent of staff.</li> <li>• Quality plummeted — and consumers noticed!</li> </ul>

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