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**A Strategy for Learning From Mistakes**

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Eight years ago, we made a mistake that we’ve only recently stopped paying for. As mistakes go, this one was hardly disastrous, and in some ways it even helped me clarify my understanding of why mistakes happen and what we can do to avoid them. I have found that most mistakes fall into one of three categories: planning, procedures, or performance. It’s important to understand what kind of mistake has been made before you try to deal with it.

The mistake I’m referring to involved the custom shopping bags I have printed for my picture-framing business. I order them in pretty big quantities — a three year’s supply at a time — to get a good price, and the savings are substantial. Once we worked out the design, pricing, and quantities we wanted, it became a pretty routine task to reorder the bags when we needed them. So far so good.

At the time of the mistake, my framing facility was operating out of a four-floor loft building. We stored the bags in the basement, which — between the low ceilings and mediocre light — was not the easiest place to keep track of inventory. I was down there one day looking for something when I couldn’t help but notice that we had many more pallets of bags than I would have expected. After a little investigation, I realized that we had enough bags for six, maybe seven years. It turned out that a second order of bags had been placed only six months after a previous order.

I asked the purchasing person how this could have happened, and she told me that our inventory manager had said we were running out. I called the salesman from the bag company who I had been doing business with for many years and asked him if he thought it was odd for us to be reordering so soon. He said he did. As a matter of fact, he said he told the buyer that it was impossible that we needed to reorder so soon and that she should check the stock again. Which she did. Once again, the guy in charge of inventory told her we were running low. They put the order through.

Eight years later, I have finally used up the bags we ordered. It wasn’t a life-threatening error, but it brought to light some serious problems. Was this a planning problem? No. Was this a procedure problem? Yes. The purchasing person was fairly new and someone should have been overseeing what she was doing more carefully. Was it a performance problem? Absolutely. The inventory manager had been careless before. After being told that the order must be a mistake, he should have figured out what was happening. We are talking about a lot of pallets.

The purchasing person? She reported to my operations manager. Practicing what I believe to be good management, I sat down with her and her manager and calmly said, “When a vendor or anyone else tells us that something doesn’t seem right, we need to look into it.” She immediately asked, “When you say *we*, who are you referring to?” I felt like I was in a sitcom. As time went on, she proved herself to be a lousy employee and was replaced. The inventory manager? Same story. A day late and many dollars short. This situation was mostly the result of having the wrong people in important jobs. And the bag salesman who knew this had to be a mistake but didn’t go to the trouble of calling me? Probably was a little beyond the call of duty, but then again I had a personal relationship with him and I had given him a lot of business. At least I used to. I didn’t punish him by leaving, but he blew any loyalty I had with him. I shopped around and found a better deal. He could have been a hero.

This started out as a careless mistake and was upgraded to a stupid mistake when we failed to act even after the vendor brought the situation to our attention. When I say *our* attention, I mean *her* attention. There is an art to distinguishing between a good employee who makes a mistake and a mediocre employee who does not accept responsibility. Here is what I have learned. Responsible employees do not have to be told they messed up. They figure it out on their own — with no blame games and no asking, “when you say we …” They acknowledge the mistake and maybe even offer an idea about how to avoid another one in the future. I don’t need an apology.

By concentrating on planning, procedures, and performance, I have reduced mistakes dramatically. I can tell you one thing for sure: If you are quick to say “everyone makes mistakes” without analyzing whether a particular mistake could have been avoided, you are sure to have plenty of them.

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