

The Problem with Success

Why Success Can Be Dangerous for Organizations and How to Avoid "Success Syndrome"

By Denise Lee Yohn

"Business success contains the seeds of its own destruction."

– Andy Grove, founder of Intel

Success can be a dangerous thing. It's ironic but true.

I've seen great companies let their own success get in their way of maintaining their leadership position. **Complacency and arrogance blind them to the need to continue striving.** They ignore emerging competitors and discount warning signs of weakness in their own organizations.

Leaders of these companies take success for granted and rely on existing strategies and skills, not recognizing that staying on top often requires more work and different approaches than getting there. As their bulwarks shatter, these once well-established, well-regarded enterprises seem to become victims of their successes.

"**Success syndrome**" is not a problem for market leaders exclusively. Success also poses a threat to newer, smaller companies.

In my [interview](#) with Les McKeown, author of [Predictable Success: Getting Your Organization on the Growth Track](#), he describes how the great sense of success experienced by entrepreneurs early on leads them to believe they've defined their brand successfully and they end up overreaching in their sense of who they are and what they can deliver.

For evidence of this, I had to go no further than a recent [Bloomberg BusinessWeek article](#) about the founder of Silly Bandz, those brightly colored silicone bands shaped like the outlines of animals, letters, princesses, etc. which are the kids' must-have product this season.

Although, as the article reports, Silly Bandz have "a long way to go before achieving the status of Beanie Babies," and already there are cheaper-looking imitations widely available, the company's founder says he's not concerned. "We've been planning some new products that will make Silly Bandz a household name for the next 5 to 10 years," he naively asserts.

Early and easy success can delude owner-founders into thinking they have a big idea and a sustainable business model. It's particularly dangerous for naturally optimistic entrepreneurs.

All of this is not to say that business leaders shouldn't aspire to success – success is the point of business, after all. They simply need to be aware of its dangers and **consider the following measures to counter the effects of “success syndrome”**:

1. **Instill a culture of truth-telling**

Leaders must have access to unadulterated data and information in order to generate accurate insights about the company's current position and future outlook. But even the most well-intentioned analysts might spin data in order to yield assessments which are more positive than sobering. So leaders must instill truth-telling as a value in the company culture and actively seek out the truth of every business situation.

2. **Ensure there are failures to celebrate**

Innovative companies are known for celebrating failures as much as celebrating success. Even when things don't pan out, celebration reinforces the importance of the innovation process, not simply the result. The problem with many successful companies is they stop failing because they stop taking risks. Leaders need to ensure failure continues to happen even after success is attained.

3. **Be a little paranoid**

Andy Grove, the founder of Intel, is credited with the motto, “Only the paranoid survive.” He advocates paranoia as a way to guard constantly against other's attacks. Every leader would benefit from an inclination to worry and a healthy amount of skepticism. Constantly scan the horizon for emerging threats and be vigilant about preparing for change.

Success is a problem if it's considered a destination to arrive at. If success is instead pursued as a journey that must be traveled, it can be fertile ground for sustained growth.

Denise Lee Yohn has been inspiring and teaching companies how to operationalize their brands to grow their businesses for over 20 years. World-class brands including Sony, Frito-Lay, Burger King, and Nautica have called on Denise, an established speaker, author, and consulting partner.

Read more by Denise at <http://www.deniseleeyohn.com/resources.html> .