Growth Mindset in a Continuous Learning Culture

In This Series

- Unlocking Growth Mindsets in Your Organization
- Leading Practices for Cultivating a Growth Mindset in Your Organization
Unlocking Growth Mindsets in Your Organization

Overview

One of the basic tenets of building an organization ready for the future is intentionally designing it for speed, agility, and adaptability. In such an environment, continuous learning and innovation tend to become the norm, which in turn often impacts how organizations structure their work, design their teams, develop their employees, and address the changing nature of work itself. Internal processes such as performance and talent management often require revamped approaches to help ensure that the employee experience is embedded in an environment of continuous growth and development.

In order to design the organization of the future, many high-performing organizations are increasingly focusing on building a new mindset—one that typically rewards innovation, experimentation, learning, and design thinking. More specifically, these organizations have realized that fostering a continuous-learning culture demands that leaders and employees possess the right mindset—specifically, a growth mindset.

In This Article

- What constitutes a growth mindset and why it matters for organizations
- Potential implications of a growth mindset for individuals, managers, and organizations
- Ways to assess growth mindsets
What Is a Growth Mindset?

Imagine your response to this statement: “As much as I hate to admit it, you can’t teach an old dog new tricks. People can’t change their deepest attributes.”

How strongly do you agree or disagree with this statement? Our agreement or disagreement in response to this is what researchers refer to as an implicit assumption—a mindset that we often unknowingly use to interpret the world around us. An implicit assumption around growth mindsets specifically represents our core beliefs regarding the ability to change.

Carol Dweck, a leading psychology researcher at Stanford University, discovered the effect of mindsets while studying school-aged children. Her early work on goal orientations—the cognitive patterns that help explain how individuals approach goals—found that while some students simply give up after facing a challenge, others persist. She inquired as to why this might be the case; that is, why do some students seem energized by learning through failure while others seem to avoid it at all costs?

Dweck’s original research on goal orientation evolved further to discover two classifications of mindsets:

1. **The growth mindset** embodies the belief that talent can be developed. Growth mindsets assume a person’s most basic qualities are malleable.

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4. Self Theories: Their Role in Motivation, Personality, and Development, Carol S. Dweck / Psychology Press, 1999.
People who operate under a growth mindset tend to actively seek out challenges and believe their true potential can be discovered only through effort. Success is ultimately defined by the journey.

2. The fixed mindset operates under the belief that human capabilities are stable. Even with increased effort, one is unlikely to experience significant changes in talent. A fixed mindset doesn't believe persistence yields much return. For individuals with fixed mindsets, it is typically more important to simply match the right skilled individual with the right role.

Dweck's research, which extends far beyond the classroom, explores these two mindsets related to the ability (or lack thereof) to change knowledge, skills, behaviors, and other capabilities. Figure 1 further clarifies the basic distinctions between these two mindsets.

**Figure 1: Mindset Directs Behavior and Perspective on Success**

<table>
<thead>
<tr>
<th>Fixed Mindset Beliefs</th>
<th>Growth Mindset Beliefs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Skills sets and capabilities are static</td>
<td>• Skills and capabilities can be improved through effort and learning</td>
</tr>
<tr>
<td>• Challenges should be avoided</td>
<td>• It's important to seek out challenges</td>
</tr>
<tr>
<td>• “My true potential is known”</td>
<td>• “My true potential is unknown”</td>
</tr>
<tr>
<td>• Effort doesn’t yield a return</td>
<td>• Effort is necessary</td>
</tr>
<tr>
<td>• Others are either competing or judging</td>
<td>• Others are enablers of growth</td>
</tr>
<tr>
<td>• Success is defined by outcomes</td>
<td>• Success is defined by the journey</td>
</tr>
</tbody>
</table>

**Why a Growth Mindset Matters**

Years of psychology research—in both the laboratory and the field—have repeatedly confirmed the influence of mindsets on behaviors. For example, the more we believe things can change, the harder we typically work toward creating that change. Likewise, if we come from the vantage point that people and entities are relatively static, the more we strive to maintain the status quo. The point is simple: Fixed beliefs typically lead to less exertion toward goal attainment, especially in the face of adversities; growth mindsets, on the other hand, tend to leverage malleable belief systems to drive individuals forward.

We have identified three specific ways that growth mindsets generally matter to individuals, managers, and organizational culture.
Individuals with a Growth Mindset Typically Exert More Effort When Challenged and Learn from Failures

A key difference between growth and fixed mindsets is the amount of effort typically put forth toward a task, especially after a failure. Individuals with fixed mindsets—believing that knowledge, skills, or behaviors cannot be developed—tend to operate under the assumption that effort has little to do with success. However, those with growth mindsets typically see a connection between effort and success. As a result, those with growth mindsets often display greater discipline and pursuit of goals over time, even when faced with setbacks.  

For example, in Dweck’s many years of research, she found that students who had a fixed mindset were less likely to take on risks and work hard. A fixed mindset can correlate working hard with a lack of ability, and, thus, a person with this mindset can be much more reluctant to exert effort toward achieving a challenging goal. A fixed mindset is usually marked by thoughts such as, “Why try if I know I am not good at this?” or “People see me as a natural leader. If I look like I am trying too hard, they may question my ability to lead.”

Dweck found that these cognitions were often amplified when one faced a setback. After poor performance on an exam, fixed-mindset students would often say, “I’d spend less time on this subject from now on,” or “I would try to cheat on the next test.” These students believed failure reflected an innate skill deficit; rather than persist, the fixed-mindset learner would simply give up.

Exciting new neuroscience research explains what is happening in the brain when individuals face failure while operating from a fixed versus growth mindset. Participants in a study were tasked with a complex problem that led to many errors. The researchers wanted to uncover what happened in the brain when one faced failure. They found a significant difference in the level of theta waves in the brain between growth- and fixed-mindset individuals. Theta waves represent the mind’s most vivid visualizations, great inspiration, profound creativity, and exceptional insight. These brain waves often provide individuals with additional information-processing capability and energy.

This study found that those who had a growth mindset were actually energized when they did not complete the task correctly, releasing much higher levels of theta waves. Those with fixed mindsets simply weren’t interested in what they could learn during the setback, often tuning out during the feedback session. While the science may be complex, the point is simple: Those with a growth mindset were fueled by theta waves, which enabled them to apply more effort to the task, even when facing a failure.

5 It is important to note that while those with growth mindsets see talent as malleable, they do not dismiss the contribution of innate abilities. That is, they believe, with all else being equal, factors such as grit (i.e., perseverance and passion for long-term goals, which entails working strenuously when challenged and maintaining effort and interest over time despite failure, adversity, and plateaus in progress) will contribute to success above and beyond stable traits such as IQ and conscientiousness. Thus, according to people with growth mindsets, while innate abilities such as IQ and personality are contributing factors, the achievement of difficult goals also requires sustained and focused application of those abilities over time. (See “Grit: Perseverance and Passion for Long-Term Goals,” Journal of Personality and Social Psychology / Angela L. Duckworth, Christopher Peterson, Michael D. Matthews, and Dennis R. Kelly, 2007, http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.368.7806&rep=rep1&type=pdf.)


Mindsets Can Influence the Ways Managers Perceive and Evaluate Performance

Not only does the research show that individual mindsets can affect human performance, but compelling research shows that mindsets also influence the ways we view others. Previous educational research studies indicate that fixed-mindset classmates tend to be quicker to make strong first-impression judgments\textsuperscript{8}, but would that translate into the workplace? Consider the following research studies.\textsuperscript{9}

In the first study, researchers assessed whether a group of plant managers tended toward fixed or growth mindsets. They then showed these managers a video of an employee who was clearly not performing well during a negotiation. The participants were asked to rate this employee’s performance. Not surprisingly, both groups rated the employee’s performance poorly. The group was then showed another video recording of the same employee, but this time the employee was performing much better. There were notable behavioral and performance improvements throughout the entire second video. The alarming finding was that, after viewing the second video, fixed-mindset managers were unable to change their rating of the employee to the same degree as growth-mindset managers were. The study concluded that fixed-mindset managers are much less able to change their mind—even when evidence points to improvement.

Intrigued, the same researchers conducted a similar experiment with a different group of plant managers. This time, they showed the employee’s good performance video first, then showed the poor performance recording. The results? The fixed-mindset managers had a harder time lowering their rating of the individual after viewing the subsequent video. However, after watching the second video, the growth-mindset managers quickly pointed out the areas of improvement necessary and were much quicker to change their judgments on the employee’s performance.

A Growth Mindset Can Be Critical to Shaping an Organizational Culture

One of the functions of an organizational culture is to send critical signals to employees about what the organization values. Growth mindsets are often vital to cultures that value development and learning. This can be particularly important, as we know that leadership programs alone do not develop leaders.\textsuperscript{10} Organizations that want to develop leaders and grow employees should focus on building cultures that support learning and growth. Furthermore, our research confirms that a culture that encourages widely distributed leadership growth and continuous learning is typically linked to better overall performance.\textsuperscript{11,12} In fact, organizations with a strong growth-oriented culture

\textsuperscript{8} Self Theories: Their Role in Motivation, Personality, and Development, Carol S. Dweck / Psychology Press, 1999.
\textsuperscript{10} High-Impact Leadership: The Leadership Maturity Model, Bersin, Deloitte Consulting LLP / Andrea Derler, PhD, 2016.
\textsuperscript{11} Ibid.
are approximately twice as likely to also report being able to effectively anticipate change and respond efficiently.¹³

Assessing Growth Mindsets

Before embarking on creating a growth-mindset organization, it can be helpful to understand the mindsets currently held by measuring the presence (or absence) of growth mindsets within the organization. Although not perfect, assessing growth mindsets is possible based on several methodologies, including self-reported measures, scenario assessments, and other clinical methods such as studying brain activity.

• **Validated academic scale.** A growth mindset can be assessed using the validated scale created and maintained by Carol Dweck at Stanford University.¹⁴ The test consists of eight growth-mindset and eight fixed-mindset statements regarding intelligence and talent. It is scored on a six-point Likert scale¹⁵ to assess how strongly one agrees or disagrees with the statements.

Example statements include the following: "Your intelligence is something about you that you can't change very much," and "You can learn new things, but you can't really change your basic intelligence."¹⁶

• **Scenario assessments.** Another common way to assess mindsets and even complement the validated scale just discussed is the use of situations or scenario questions. Again, Dweck and other researchers have developed a variety of situations to which individuals can respond. The situations generally assess the respondents' feelings and actions right after they experience a failure. An example includes the following:

*Imagine you've applied to graduate school. You applied to just one place because it was the school you had your heart set on. And you were confident you'd be accepted since many people considered your work in business to be exceptional. But you were rejected.*

How does the participant feel and then act as a result of this experience? These situations allow one to assess whether the person would try to increase his or her skills set or simply believe he or she is not competent in that area and give up.¹⁷

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¹⁵ The “Likert scale” is a widely used psychometric response scale for surveys that measures the extent to which a respondent agrees or disagrees with a statement. This is typically a five- (or seven-) point scale that allows survey respondents to express how much they agree or disagree with a particular statement.


¹⁷ Ibid.
• **Brain activity.** Recent neuroscience advancements now allow researchers to determine an individual’s level of brain activity, as measured by theta waves, to help understand how a growth mindset differs from a fixed mindset in regard to brain activity. Using fMRI brain scans, researchers can now determine the type of emotions and parts of the brain that are active when receiving feedback on an error or failure. These theta waves—which represent your mind’s most vivid visualizations, creativity, and insights—were found in much higher levels in growth-mindset individuals when responding to a mistake made. This research enables one to see the differences in brain activity between growth mindsets and fixed mindsets when responding to failure.

**Reflection**

As businesses strive to become increasingly more agile, concepts such as “rapid-cycle prototyping,” “minimum viable product,” and “continuous improvement” characterize how work gets done. In order to stay aligned, talent practices should embrace a similar approach when it comes to leading and developing employees. One way to support this is by fostering a growth mindset among employees and leaders across the organization and embedding it into the company’s culture. More specifically, this implies:

• Perpetuating the belief that talent is not a fixed entity. It can and needs to be continuously developed. The right learning and growth opportunities can accelerate the development of talent.
• Growth mindsets tend to lead to better outcomes not only for individual contributors and managers but also for the organization.
• Organizations can assess the presence of growth mindsets to determine a baseline and better understand the mindset change that is needed throughout the organization.

To be successful in the future, organizations should be able to experiment, learn, innovate, and adapt quickly. Developing a growth mindset in individuals and leaders, supported by a growth-oriented culture, can help companies thrive and achieve business results.

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19 We recognize that studying brain activity to assess growth mindsets is not a practical option in an organizational setting, but the goal here is to make our readers aware of possible assessment options that are currently available.
To be prepared for the future, organizations should be designed for speed, agility, and adaptability. Organizations that embody a growth mindset are able to embrace challenges and new opportunities, learn from mistakes, and quickly pivot and adapt.

The main tenet of a growth mindset is that talent is malleable—that is, that individuals have the ability to change their knowledge, skills, behaviors, and other perceivably inherent capabilities.

Individuals with growth mindsets tend to exert great effort when faced with challenges and recover quickly from setbacks. Failure is typically seen as an opportunity for learning rather than a defeat.

Managers who embrace a growth mindset often recognize the capacity of their employees to learn and grow and support them in their efforts.

A company’s culture should also embody a growth mindset. A culture that encourages widely distributed leadership growth and continuous learning is often linked to better overall performance.

An organization’s talent management approaches should align with a growth-oriented culture. Companies should embed employee experience in an environment of continuous growth and development.

To better understand its employees’ mindsets and the magnitude of the change needed, companies can use various methodologies to measure and assess the presence (or absence) of growth mindsets within the organization.

Key Takeaways
Leading Practices for Cultivating a Growth Mindset in Your Organization

Overview

The business world is evolving more quickly than ever, and companies should be able to spot opportunities and innovate—quickly—to keep up or even to survive. Most high-performing organizations are increasingly responding to this challenge by building a growth mindset into everything the company does, from finding the right talent and developing its leaders to aligning its performance management practices and fostering a culture that reinforces learning and development. This article presents four leading practices that companies can embrace to help cultivate a growth mindset and provides examples of companies that are doing so effectively.

In This Article

- Leading practices for shaping a growth mindset in your organization
- Examples from organizations implementing these practices
- Specific actions your company can take to help develop a growth mindset
Change Whom You Hire and Where You Look

Organizations that operate from a fixed (rather than growth) mindset tend to look for star recruits that come with an impressive pedigree. These companies tend to emphasize where candidates went to school, the types of degrees they hold, and other accomplishments. However, there is little evidence to support that employees chosen in this way will ultimately become high performers; rather, research has found that employees who seek learning and engage in problem-solving are those who have the longest career paths with the organization.1 In addition, limiting the talent pool to certain attributes (such as educational history) can also limit your organization's diversity and capacity to innovate.

KEY POINT: Limiting the talent pool to certain attributes can limit your organization's diversity and capacity to innovate.

Example: Google

In the past, Google recruited exclusively from prestigious universities and schools. In fact, prior to 2014, Google had a list of about 100 colleges from which it would regularly recruit.\(^2\) However, the company's data led it to believe that it was missing out on potential candidates and high performers. Its sampling did not adequately represent the available talent markets. Thus, in 2014, Google sought to double its college recruiting pool to include more than 200 universities where Google would actively hire. By 2015, almost 20 percent of its new hires were from outside its “traditional” selection pool.

In addition, Google used to focus on determining a candidate's IQ during the interview process with questions such as, "How many golf balls can fit into a school bus?" Company data showed that much like where a candidate went to college, IQ-type questions were not predictive of the candidate's eventual success at the organization.

Today, Google focuses much more on coachable skills, problem-solving capabilities, and culture fit during the recruitment and interview process, thus shifting toward finding talent with growth mindsets and corresponding behaviors.\(^3\) In addition, all new hires and recently promoted managers go through extensive training that teaches them the applications and potential outcomes of growth mindsets.\(^4\) Google focuses on the link between mindsets and success early in its employees' careers. Indeed, from hiring to development, Google sees growth mindsets as instrumental to its employees' success.

KEY POINT: Google company data showed that IQ-type questions were not predictive of the candidate's eventual success at the organization.

Call to Action

- Don't limit your talent search. Look outside traditional selection pools to help broaden the scope of potential talent.
- Create an intentional focus on hiring people who have growth-mindset attributes.
- Don't focus on pedigree; focus on finding people who love challenges and want to grow and collaborate.

Increase Manager Effectiveness Using Growth-Mindset Training

To identify growth and development opportunities, most employees tend to look to their direct managers first. However, managers are typically pressed for time and attention and, in many cases, are not held

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accountable for employee development. This can cause employee development activities to lag behind other priorities, which in turn can have a negative impact on employees’ engagement levels over time, leading to other costly outcomes such as high turnover and absences. One way to address this challenge is to make the task of developing others much easier by training managers to have a growth mindset.

Example: Center for Integrated Research at Deloitte

Since the very premise of a growth mindset is the belief in the plasticity of the brain and that people can change and improve, the Center for Integrated Research at Deloitte, a consulting organization with a global network, set out to test this theory internally to determine if managers could indeed change their mindsets. In an effort to further enhance managerial effectiveness, a subfunction within Deloitte was divided into a test group (consisting of 175 employees) who would receive mindset training, and a control group (consisting of 171 employees) who would not receive that specific training and accompanying mindset activities. Deloitte then designed and developed a training module that made managers aware of their mindsets and ways in which they could incorporate effective growth-mindset behaviors during their check-ins with their direct reports. Regular follow-ups and additional resource materials provided throughout the year helped keep these managers engaged in growth-oriented activities.

A year later, the test group managers’ teams were asked how effective their managers were. Employees rated these managers a full 23 percentage points higher over the previous year. Incorporating mindset training into the leadership development curriculum helped create better employee and manager interactions. Deloitte believes that managers’ mindsets can change, but they should be developed through effective training and follow-up.

**Call to Action**

- Train managers on what constitutes a growth mindset.
- Teach managers how to effectively use a growth mindset during daily activities (e.g., check-ins and interactions with direct reports).
- Use additional resources and regular follow-ups with managers to keep them focused on growth-oriented activities.

**Reevaluate Performance Management to Promote Talent Development and Growth**

On top of developing and training leaders to think and act from a growth mindset perspective, organizations should instill and reinforce this mindset in the talent processes that touch every employee across the organization. This idea is supported by the current movement in the business world toward continuous performance management and away from traditional, administratively driven approaches. If organizations do not inherently believe that talent is malleable, new approaches to performance management—which incorporate frequent check-ins; increased access to real-time, crowdsourced feedback; and dynamic goals—cannot be effective.

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**Case in Point: Patagonia Leverages Performance Management to Reinforce the Importance of Performance and Growth**

Founded in 1973, Patagonia is a U.S. retailer of outdoor adventure clothing and equipment employing more than 2,000 individuals. The company explicitly states three missions: to build the best products, to cause no unnecessary harm, and to inspire and implement solutions for environmental crises. To support these missions, Patagonia decided to update its performance management approach.

The company based its approach on goal-setting that simultaneously encourages both performance and growth. More specifically, Patagonia created a platform in which employees set annual goals that are incorporated into end-of-year performance appraisals. This allows employees and managers to discuss performance criteria at the beginning of the year and clearly lay out expectations for individual employees and align annual goals with organizational objectives.

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While this platform is an important component, Patagonia also realized that the static, fixed nature of these annual goals was not encouraging employees to grow, take risks, and learn. It therefore created a more agile, forward-focused performance management component. To address development and encourage employees to push themselves—and potentially fail—the company instituted optional quarterly development-focused stretch goals, which push employees to think ambitiously about what they want to do in the next quarter and even set goals that they may not fully meet in that time frame. The thinking behind such stretch goals is to create a low-risk way for employees to use obstacles or even failure as learning tools.

Throughout the quarter, employees can both seek feedback from and provide feedback to anyone in the organization to help ensure that they are constantly learning and growing. At the end of every quarter, employees then go through a reflection and feedback process (see Figure 1). Specifically, for each quarterly stretch goal, the company asks employees to identify what they want to celebrate and what they would do differently next time. In addition, the company encourages employees to identify their most significant insights about themselves, their teams, and/or the organization and, based on those insights, whether there are any new behaviors they want to build or lean on more in the next quarter. Finally, employees identify new goals or goals to carry into the next quarter. They then have a quarterly discussion with their manager, using the reflection document to drive the discussion and solicit their manager's thoughts and feedback.

Patagonia has evaluated this goal-setting approach to performance management and found that individuals who create quarterly stretch goals are more likely to outperform those who do not. These individuals are also more likely to hit their static, annual goals. This combination of static goals (which clearly set expectations and performance standards) with development-focused stretch goals (which help employees grow) has helped Patagonia reinforce its culture of leadership and learning.
Figure 1: Patagonia’s End-of-Quarter Stretch Goals Reflection Process

Leading Practices for Cultivating a Growth Mindset in Your Organization

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Case in Point: Patagonia Leverages Performance Management to Reinforce the Importance of Performance and Growth (cont’d)

Figure 1: Patagonia’s End-of-Quarter Stretch Goals Reflection Process

Q4 Check-In, Fiscal Year 2017

Reflect on your achievement of this quarterly stretch goal.

Choose the most appropriate description below:

- Crushed it (achieved all stretch goals).
- Narrowed it (achieved more than had hoped).
- I almost got there (good progress).
- Made a little progress (goal delayed or off track).
- No progress or didn’t get started.

What do you want to celebrate on this goal? What, if anything, would you do differently next time?

As always, lots of requests for individualized interventions and all-team support opportunities coming in. Love these, just want to continue to keep in mind how they fit in alongside the rest of the work we’re doing to move forward. I look forward to partnering more closely with [name] on some of these moving forward.

Do any of the situations below apply to this goal?

Choose all that apply:

- This goal provided just the right amount of stretch.
- This goal was a little too easy (probably could have stretched more).
- This goal was harder than I thought it may have stretched too much.
- Competing priorities kept me from achieving as much as I had hoped on this goal.
- Priority shifted before I could start on this goal.
- Work from this goal should carry over into the next quarter.
- This goal helped me make good progress toward achieving a Yearly Target.
- Other (describe below)

Other Thoughts

We can use this space to capture any other thoughts or notes on this goal.

Q4 Check-In, Fiscal Year 2017

Reflect on what you learned from your Quarterly Stretch Goals, and/or any feedback you received from others, that can help you going forward.

Insights

What were your biggest insights about yourself, your team, and/or your organization?

As was the case these last couple of quarters, I feel like we continue to gain traction across Ventura as a team who offers real, meaningful value to our employees. [Name] had a great, strong quarter and I look forward to getting them exposed to more stretch assignments; taking on more in training, allowing him more chances to lead (PCI/DSS) and to share his expertise (Brain Food/Speaker Series). There were a lot of competing priorities going on this quarter, but all in all it felt like we had some pretty major wins.

Behaviors

Based on these insights, are there any new behaviors or habits you want to build or lean on more next quarter?

Finding where to say no to ad hoc learning requests, and let [Name] lead with her developing expertise there. Look into more ways to support the coach hat with [Name]. Be more assertive in decision making and sharing my point of view/expertise, especially as we layer Compass on in new territories and with new user groups.

Call to Action

• Instill a growth mindset by introducing optional, periodic stretch goals that push employees to challenge themselves.
• Be intentional about embracing unmet stretch goals as a part of learning.
• Encourage employees to seek continuous feedback from colleagues to refine their dynamic goals.
• Recognize and reward employees not only for reaching their goals but also for the learning and growth they have achieved.

Create Growth-Oriented Cultures

Development and learning programs created in a context that does not support an overall growth mindset are likely to be less beneficial because the objectives of such programs would not align to the organizational culture that does not value those new skills and abilities.⁸ Said differently, if the organizational culture doesn’t foster a growth mindset, it should not be expected that employees or leaders will find any value in developing and growing themselves. Why does this matter? Not having a growth-mindset culture can impact an organization’s ability to adapt to change, innovate, ensure a healthy leadership pipeline, and acquire talent. On the other hand, encouraging a growth mindset is important to cultivating an overall culture of learning that enables employees to remain adaptive, flexible, and confident as they learn, lead, and take risks.⁹

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Example: Pixar

The spirit of growth embodies the creative process that keeps Pixar at the top of its game.\(^\text{10}\) Says the company's president:

\emph{Rather than thinking, “OK, my job is to prevent or avoid all the messes,” I just try to say, “Well, let’s make sure it doesn’t get too messy.”}\(^\text{11}\)

With this in mind, Pixar allows itself to deviate from plans, striving to improve and quickly respond to errors. This may explain why a 90-minute movie can take around 12,000 storyboard drawings to produce. Pixar believes it is its ability to fail and learn quickly during the creative process that allows it to keep a growth-oriented perspective. The company seeks to find weakness in its story plots so it can actively innovate and improve the storyline.

All too often, leaders seek feedback to confirm an idea rather than create environments in which ideas can be challenged for the sake of learning. Pixar has created a culture in which feedback and failure are a necessary mechanism of success.

Call to Action

\begin{itemize}
\item Focus on creating an overall culture of growth and learning with growth mindsets at its core.
\item Obtain leadership buy-in and support for a growth-oriented culture.
\item Communicate the company's commitment to learning and development.
\item Hold leaders accountable for developing others.
\item Tie employee growth and learning to rewards and recognition.
\end{itemize}

Conclusion

Organizations should build and nurture a growth mindset in order to set themselves up for success not only in the current environment but also in an unpredictable future. Companies that embrace a culture of continuous learning and development encourage and support employees to expand their thinking, look for opportunities, innovate, build critical capabilities, and pivot quickly to adapt to changing market conditions.

\begin{enumerate}
\end{enumerate}
Leading companies are adopting proven approaches to embrace a growth mindset and help improve their chances of success. They are reevaluating their talent recruitment practices to find the right people, teaching leaders to incorporate growth-oriented behaviors to effectively lead their teams, rewarding and recognizing employees who demonstrate growth and learning, and making sure the company culture supports its growth-mindset initiatives.

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### Key Takeaways

- A growth mindset is important to creating an organizational culture that can respond effectively to change.
- Companies should reexamine how they recruit and what kind of talent they look for, concentrating less on pedigree and more on ability to learn and solve problems.
- Leaders who receive training in developing and applying a growth mindset can more effectively lead their teams and also better support team members’ learning and development.
- Stretch goals can be particularly helpful in challenging employees and encouraging new and innovative thinking. Failure should be considered a part of the learning process.
- It is important to reward and recognize employee growth and learning, rather than only performance.
- Not having a growth-mindset culture can impact an organization's ability to adapt to change, innovate, ensure a healthy leadership pipeline, and acquire talent.
- A growth-oriented culture enables employees to remain adaptive, flexible, and confident as they learn, lead, and take risks.
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