



# NO FEAR

Five Principles for  
← — Sustaining Growth — →  
Through Innovation



# NO FAILURE

**LORRAINE H. MARCHAND**

WITH JOHN HANC

## Praise for *No Fear, No Failure*

*No Fear, No Failure* provides a practical, structured approach to diagnosing the challenges to innovation within your organization and within yourself. This easy-to-read book offers a road map for navigating and reducing, if not removing, roadblocks to change as well as a powerful set of tools for building a culture of innovation and entrepreneurship within your team and across your organization.

—Paul Russo, Founding Dean, Katz School of Science and Health;  
Professor of Data Science, Yeshiva University

As a corporate leader who has navigated complex transformations, I've seen first-hand how fear of failure can stifle innovation and teamwork. *No Fear, No Failure* is a bold and timely call to action—an essential guide for executives and teams ready to replace hesitation with resilience, creativity and encouragement. Marchand offers practical strategies for building a culture where bold thinking thrives, mistakes are reframed as learning, and progress becomes the norm. A must-read for today's business leaders.

—Deborah Juantorena, former Vice President,  
Enterprise Data Solutions and Engineering, Pfizer Inc.

As our keynote speaker for our Mastercard professional training seminars, Lorraine Marchand has inspired and energized our employees with her innovation mindset prescription for change. The ideas in her new book, *No Fear, No Failure*, which show how to help create a culture of innovation at the organizational level, are equally exciting and vitally important in helping managers and executives kindle and sustain that innovative flame in their corporations.

—Paul J. Bailo, Lecturer, Columbia University School  
of Professional Studies; CEO, PiPCG

In this insightful book, you'll discover a wealth of practical tools, strategies, and case studies that illuminate the path to fostering a culture of innovation and organizational change. Each chapter offers invaluable insights to help navigate the complexities of innovation. With easy-to-use frameworks, diagnostic tools, and exercises, you'll learn how to overcome barriers, embrace uncertainty, and turn bold ideas into tangible results. Whether you're a seasoned entrepreneur or a corporate leader, *No Fear, No Failure* equips you with the knowledge and confidence to fortify your organization for the challenges ahead and unleash its full potential. Get ready to embark on a transformative journey toward innovation excellence!

—Deborah Y. Cohn, Interim Dean, School of Management,  
New York Institute of Technology

This book is essential reading for boards of directors, CEOs, and their management teams. As a CFO, I have finally discovered a concrete framework in *No Fear, No Failure* that empowers leadership teams in any corporation to achieve exponential and sustained impact on shareholder returns while redefining the organization's full potential.

—Nisheet Gupta, chartered accountant and a seasoned CFO  
and global finance leader

I've had the privilege of seeing Lorraine Marchand in action—showing students and professionals alike how to innovate. Her first book, *The Innovation Mindset*, is popular among students, and we use it in our courses on innovation and entrepreneurship because it is practical and inspiring. In *No Fear, No Failure*, she addresses the problem that blocks so many bright talented professionals from pursuing their dreams and hinders organizations from developing creative solutions—fear of failure. She doesn't just talk about it but provides a roadmap. Her “try, fail, learn” methodology and prescriptive framework offer a mindset shift that can create a growth-oriented culture and transform organizations. Her book is filled with relevant case studies and examples, making it dynamic, engaging, and easy to read. If you are ready to break through the fear and show your creativity, this is a must-read book. Get this book and get ready to innovate like a pro.

—Rana Khan, Inaugural Director, Bioscience Research and Education Center,  
Hood College, Frederick, Maryland; former professor and director,  
Yeshiva University, New York and the University of Maryland, College Park

In her new book, Lorraine Marchand maps out a path to overcoming the fear of failure that can hold back any business. Through insightful anecdotes and strategies, this book develops a framework for thinking about “intelligent failure” and empowering individuals and organizations to embrace change and allow passion and curiosity to thrive. *No Fear, No Failure* is a compelling and immediately useful read!

—Benjamin Newland, Principal, Newland Ventures;  
Chief Legal Officer, Kelix bioLimited; Director, Nightjar Coffee Limited

Lorraine Marchand has done it again. Her new book, *No Fear, No Failure*, a sequel to the successful *The Innovation Mindset*, is a powerful, practical guide that demystifies the innovation process in organizations. It provides a framework organizations can use to diagnose their culture and a prescription for driving growth over the long haul. Marchand masterfully bridges the gap between inspiration and execution, making this a must-read for entrepreneurs, business leaders, and changemakers.

—Natasha Srulowitz, Board Member, Soul Power Acquisition Corp.,  
startup founder, investor and career advisor

In *No Fear, No Failure*, Lorraine Marchand introduces a groundbreaking guide to corporate innovation, skillfully weaving together the essential 5C's—Customer First, Culture, Chance, Collaboration, and Change. The book offers a fresh perspective on fostering a culture of innovation, providing insightful case studies and practical tools for organizations of all sizes to thrive in today's dynamic business landscape.

—Eric Piscini, CEO, Hashgraph

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TO NOLAN AND ISAAC:

TRY, FAIL, LEARN



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## FOREWORD

Advising Fortune 500 clients as the head of a multi-billion-dollar business, my life is anything but predictable. Yes, there are macro events and trends that make a big impact on my clients—COVID, geopolitical instability, and economic uncertainty to name a few. But one of the most striking and exciting observations I’ve made, as I speak with CEOs and analyze my clients’ businesses, is the breathtaking speed of innovation. And it fills me with great hope for our future.

Of course, humans have been thinking of new ways to do things for centuries. But not at this pace. Let’s look at a historical example, one that might initially seem obscure, but not to me. As an engineering student in my native Istanbul, I learned how, in the year 1698, an English military engineer and inventor named Thomas Savery patented the first steam-powered pump. Steam power, of course, would go on to drive the Industrial Revolution. But that was a century later. It wasn’t until 1776, the same year the United States declared its independence, that another Englishman, James Watt, added a separate condenser to make steam engines more efficient. And *that*, not Savery’s original invention, is what truly launched the technological revolution that would transform society in the nineteenth century.

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Think about that: the world had to wait seventy-eight years for steam's industrial application; seventy-eight years before it could become a truly viable technology. Today, it would be unthinkable to wait that long for design iterations that could scale an invention. Now we measure the uptake of innovation in days. For example, according to *Time* magazine, ChatGPT achieved a hundred million users in November 2022 in only two months!

To compete in this lightning-fast innovation environment, organizations can't just wait for their own Savery or Watt to come along. For me, the key question is: How can a company *institutionalize organizational innovation*? How can it foster a culture of innovation to sustain a competitive edge and avoid becoming a corporate dinosaur destined for extinction? Research by the artificial intelligence (AI)-powered competitive intelligence platform, WatchMyCompetitor (WMC), found that about 52 percent of the companies that were listed on the Fortune 500 in 2000 had disappeared by 2020.

This is a sobering fact. What's keeping those in the C-suite up at night is the issue of relevance. How do we stay relevant to our customers? By adapting and changing and offering new and better products and services, yes. But to do that, we must foster and create a culture of innovation. How?

*No Fear, No Failure* can provide some answers. This book's author, Lorraine Marchand, is a former Big Tech and Big Pharma executive, as well as a professor of innovation and management at some of our country's finest business schools. In her first, award-winning book, *The Innovation Mindset*, she showed how to bring a good idea from inception to market. Here she looks at innovation from an organizational perspective. And she has developed a thoughtful framework after conducting over one hundred executive interviews; she has distilled her insights into an easy-to-follow and practical 5C's approach to organizational innovation.

Here we are also reminded that just as some people may be better "out of the box" thinkers than others, so, too, can organizations be classified by their level of innovativeness. Indeed, everyone reading

this book will have a unique perspective because the approach to innovation varies significantly across four company typologies in different stages of maturity. Lorraine describes the start-up trying to survive and producing a working prototype as well as a Fortune 500 that must constantly replenish its billions of dollars' worth of products and services to stay on the list, as well as many other types of companies in between. Why is this important? A company's chronological age isn't indicative of its innovation aptitude. Quite the opposite: she shows us how start-ups can be old and stodgy and twenty-five-year-old corporations can stay hungry and curious.

Why the disconnect? The secret lies in the culture of innovation companies create.

Typically when we think of innovation, our mind's eye goes to Silicon Valley. There is a kind of ethos—as well as a popular mythology—that has developed about the start-ups that have proliferated in that area of northern California, a place that's become synonymous with innovation. You know the story. The start-up originated in the proverbial garage after the founder dropped out of an Ivy League school to bet it all on a dream. The company bootstrapped with seed funding from friends and family in pursuit of a risky opportunity. With luck and perseverance, the computer chip or the smart phone was created as a result, and the world is a better place. The end.

That's only part of the real picture, however. Less attention has been paid to corporations that are already operating at scale but need to add increasingly bigger revenues year after year to continue their historical growth pattern and avoid being classified as a dreaded *value company* with much less generous valuation multiples and an expectation of a dividend payout. What everyone seeks is the coveted *growth company* designation with an aspiration to enjoy higher multiples in valuation.

Lorraine's book addresses the existential question: How can large corporations institutionalize organizational innovation and thereby maintain their competitive edge and avoid becoming a corporate dinosaur destined for extinction?

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Let's expand on what Lorraine calls the 5C's, starting with *Customer First*, where the innovation journey starts. In my experience of working with start-ups, the biggest challenge I see a founder struggle with is the articulation of what problem they are solving for the customer. Founders typically have a technical background, and the expression of value proposition from a customer point of view is outside their comfort zone. I usually ask them this question: "Imagine you are Steve Wozniak, the cofounder of a leading technology innovator and its renowned technical genius. How do you translate your technology to Steve Jobs's vision that focuses on customer's needs?" I usually get an introspective pause that tells me that they have not thought this through yet. And for the large corporations, it gets trickier if the employees in charge of innovation, such as research and development (R&D) or product development, are not connected to the customer-facing functions. I was in a similar role earlier in my career at a large pharma company, and I felt at times like a translator of product requirements from my team on the commercialization side to the scientists who had the unenviable task of discovering molecules with attributes that would help address unmet medical needs.

*Culture*, the second C, is the one that makes innovation sink or swim in the large company environment. My experience suggests culture is driven by incentives, and there is an intrinsic asymmetry of incentives in a large organization based on varying degrees of risk tolerance. For example, although the business side with little risk tolerance prefers a quick uplift in revenue driven by the novel innovation, the R&D side needs more runway and time to experiment for the new solution to meet or exceed customers' requirements. R&D has a much greater risk tolerance. Ultimately the winning culture of the innovation mindset philosophy—bringing both sides together—was best coined by a quote attributed to Nelson Mandela: "I never lose. I either win or learn."

Lorraine's next C is *Collaboration*. That is where things get interesting because the leaders of the organization must articulate a clear vision of why the team members are doing what they

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are doing. In my broad corporate experience across three Fortune 500s, a \$50-billion-plus partnership, and a start-up, it goes beyond a well-thought-through motivational narrative. It also requires a key ingredient: trust in each other and the organization's *common purpose*, particularly around the customer, and a shared goal to grow the business. This also ties well to the common incentives in the second C, *Culture*, where the teams with different functional responsibilities understand their unique contributions and move as one toward the desired future state.

The fourth C, *Change*, is about getting the team members across the organization to mobilize the innovation mindset to transform the business. It's the most audacious C given that it requires team members to operate outside of their comfort zone. In my view, change requires a blend of IQ and EQ—emotional intelligence. The leader needs to compel the company to do things differently by demonstrating business rationale while at the same time overcoming reluctance to get the company moving to a new operating state. Prime examples in my experience are divestitures, post-mergers, and enterprise-wide technology implementations. Change is never easy, but change and adaptation are the key evolutionary skills that got us this far as humans.

*Chance* is Lorraine's last but not the least important C for sure. There are reams of stories about scientists getting lucky with some serendipitous invention, whether it is discovering penicillin, repurposing Viagra's indication from a heart medication to erectile dysfunction, which I was fortunate enough to launch globally early in my career as the global marketing director, or finding a better use of Post-it Notes when the adhesive failed to be strong enough for its initial intended purpose. When my team *humbly* says they got lucky, I often cite the words of one of history's most renowned scientists. During an 1854 lecture at the University of Lille, the French microbiologist and chemist Louis Pasteur said, "In the fields of observation chance favors only the prepared mind."

Mitigating intrinsic risks in innovation requires a culture of risk tolerance alongside the competence to pivot combined with

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a compulsive creative drive. Lorraine also posits that there is an algorithm for financially investing in chance or opportunity. I heartily agree. The most successful innovative companies dedicate a portion of their budget to investing in innovations that are a big risk but in the end often end up driving the company's growth five years later.

In other words, those who think boldly and act without fear of failure are the companies that keep up with the ever-accelerating pace of innovation. Mastering the challenges of organizational innovation is not straightforward. But after reading this insightful and provocative book, I think you will walk away with actionable insights to inform your own journey.

Arda Ural, PhD

Life Sciences Sector Leader, Ernst & Young LLC

New York, May 2025

The views reflected in this foreword are the views of the author and do not necessarily reflect the views of Ernst & Young LLP or other members of the global EY organization.

**NO FEAR, NO FAILURE**



## INTRODUCTION

**T**he phone rang. It was the VP of sales and marketing who had reached out to me on LinkedIn just a few days earlier. I was expecting his call—but I wasn't exactly sure what he wanted to discuss. A seasoned pharmaceutical exec, Howell said he'd read my book and now urgently needed to speak to me.

Urgent? I am, of course, always delighted to talk about innovation, about change, about new ideas—particularly with readers. Still, I couldn't imagine what the rush was. However, as he spoke, I could feel the excitement—and perhaps a trace of anxiety—in his voice.

“Lorraine, it's so nice to speak with you. I loved *The Innovation Mindset*, and that's why I'm calling.”

He went on to tell me that his business unit, part of a pharmaceutical giant that I was familiar with, given my career in life sciences, was focused on a particular rare disease that could manifest itself in many ways. Although it ultimately would reveal itself as a neurological condition, there was typically a long path to diagnosis, which is difficult for the patient suffering from it. But it was also challenging for Howell and his team. Scientists at their company had developed a new drug capable of mitigating the symptoms. Howell's team was eager to get out in the marketplace and start visiting physicians to let them know about this breakthrough therapy.

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But wait, which physicians? Who was the right practitioner to diagnose and treat a disease that presents itself with differing symptoms in various parts of the body? And once Howell's team had narrowed down their target audience, how could they communicate clearly the benefits of this therapy for a disease that's such a chameleon?

That was something Howell's group had to figure out. It would probably take some fresh, imaginative thinking—not to mention the kind of intense focus and passion that is intrinsic to the innovation mindset. Part of the process (discussed in my first book, which Howell had read) involved a clear identification of the problem—asking the right questions, observing and listening, developing solutions, and taking the best solution to the prototype stage for testing with customers.

"All of that would be really helpful to my team," Howell said. "When can you get here?"

On the morning of our working session, he picked me up at my hotel. After exchanging pleasantries, we got in his car and headed for the meeting at a local conference center.

"Lorraine, there was something I forgot to tell you."

Uh-oh.

"What was that, Howell?"

He looked a bit sheepish as he confessed that his company—the pharmaceutical giant—was thinking about closing his division. "We're under the gun," he said grimly. Now I understood the urgency.

"Just thought you should know," Howell said. "Because my group is going to need to start being creative and innovative . . . like, right away."

Okay, I thought. Game on.

The working session was at a hotel meeting space, an environment that is for me—like most consultants—all too familiar. Conference table, usually with a hodgepodge of controllers and remotes gathered in a pile in the middle. Big video screen. Whiteboard. Lectern. Laser pointer and a bottle of water for the presenter.

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Facing me around the conference room table were members of Howell's team: A silver-haired gentleman. A young woman with short, cropped hair and a thin, silver nose ring. A woman of Asian descent who, I learned, had a PhD in biochemistry and had transferred to Howell's group from R&D. And a recent MBA grad—a Caucasian guy who had been texting when I got in and who, as Howell introduced me, removed his AirPods.

They were all polite but reserved—the usual and understandable stance for most attendees in this situation. They were here because their boss had told them to be here. I understood that. But I also detected, as with Howell, a sense of unease, as if they were waiting for me to give them an answer to a problem that had given them all some sleepless nights.

I started by posing a simple question—one that I often ask when I give workshops and presentations like this.

“On a scale of one to ten, with ten being a perfect score,” I asked, “how would you assess your innovation mindset, which I define as insatiable curiosity, a passion for problem-solving, embracing change, and seeking diverse perspectives?”

I saw a couple of pairs of eyes widen. This is a question that requires a little thought and elaboration, which I quickly provided.

“All of those are important attributes for anyone who is looking to create a new product, or”—and I gave a knowing look to the six marketing people around the table—“for those whose job it is to figure out how to best communicate the benefits of a new product and successfully get that product in front of the right audience.”

They knew I was talking about them, and I could see them straighten up in their chairs a bit. Sales and marketing people in pharma are sometimes looked upon as lightweights by those on the clinical side. But without them in a business, there is no business. These folks took pride in their work. And they also knew that there was a lot on the line with this new product—and thus a lot of pressure on them to come up with innovative strategies to get the product out into the marketplace.

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“Okay,” I urged, bringing them back to our little classroom exercise. “Who wants to go first. Who is a perfect ten on the innovator scale?”

Not a hand was raised.

That was predictable. Few people are bold enough in this kind of setting to say that they’re a ten at anything, much less a concept that most people haven’t thought much about. What are the attributes of an innovator? Are you born with them? Can they be learned?

I wanted them to think about that.

“You’re all being modest,” I said. “So, who’s a nine?”

Half the hands in the room shot up.

“Wow,” I said. “Well, obviously I’m looking at a lot of curiosity and passion here. I’m looking at some people who embrace change and seek out different perspectives.”

Now, as their hands were lowered, I saw a glimmer of self-doubt in a couple of faces and could almost read the mind of one of the older men (“I’ve been going to the same diner for breakfast on Saturdays and ordering the same thing for twenty years; that’s not really embracing change”).

But the woman with the short hair and nose ring shot her arm back up.

“I’m one of those people who like to change things up,” ventured Alyssa, a young, self-confident saleswoman. “I’d always rather find a better way to do things.”

“Good!” I said. “That sounds like the innovation mindset to me. Okay, you’ve ranked yourselves nine out of ten when it comes to innovativeness. You’re obviously good. That’s why you’re working for one of the largest pharmaceutical companies in the world. So, if half of you are a nine on the innovator scale, who’s an eight?”

The other half of the hands shot up. I feigned shock. “You’ve got to help me understand this,” I said. “I’m here to help improve your innovation acumen so you can do a better job solving your customer’s problems and thereby drive better sales results, right? Yet none of you seem to need the help. You’re all experts or close to being experts in the area of innovation. What gives?”

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Adam—in his late thirties, I guessed, and dressed impeccably in a blazer, pressed slacks, and a shiny pair of brushed-leather Pradas on his feet—spoke up. “Actually, I was going to give myself a ten, but then I thought everyone would expect a lot out of me throughout the rest of the workshop,” he chuckled, “so I settled for a nine.”

“Good for you, Adam,” I said. “If you can’t believe in yourself, who can you believe in? But I’m still questioning why you need my help if you’re all innovation experts. And why do you think you’re having challenges selling your product to doctors, given all the innovative horsepower in this room?”

This was a question I genuinely wanted answered. Howell had told me what a crack sales team he had assembled. I assumed they were right in their self-assessment—they probably were open-minded to new ideas and creative ways to solve problems. But if that was true, why were they feeling stymied, and why were they performing poorly enough that their heads were on the chopping block?

As if reading my mind, Jim spoke up. He had sat quietly for most of the session so far, but now he spoke with a kind of wise authority the others recognized. With his streaks of gray hair, Jim seemed to be the senior member of the team, and I could sense the others respected him. They nodded as he spoke.

“The problem isn’t us, Lorraine. Our team is innovative and creative. We have lots of great ideas for making our product attractive to doctors and patients and getting our message out to them. The problem”—he paused and looked around, as if making sure no one from top management was present—“the problem is this organization. It’s huge, it’s global, and it’s bureaucratic. They’re beholden to regulations and policies and filled with lawyers who have one hundred different reasons why they need to shut down our new ideas.”

Heads were nodding vigorously now and hands shot up. I almost thought Jim was going to get a round of applause. Alyssa joined in.

“Jim’s absolutely right. There’s a lot of lip service paid to this idea of getting us to ‘think outside the box.’” She drew air quotes around that shopworn phrase. “But when we do, the organization chases us back inside our boxes!”

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Laughter. Yet, even the vice president, Howell, sitting quietly to my right, had to agree. “They’re right,” he said, when I asked him about this. “I encourage them to be innovative, but very often when we try to act on what they’ve suggested, we get shot down. I’ll even sometimes try to go up the chain of command myself to get something green-lighted—which, as you know, is not always a politically smart thing to do—but it’s a no go. You know what it’s like. You’ve worked for a lot of big corporations.”

I have, indeed. And particularly in the last few years, as I’ve been researching, writing, and teaching the principles of the innovation mindset, I’ve seen or experienced firsthand the problem that was frustrating Howell and his sales team.

“You’re not alone,” I said sympathetically. “We’re going to talk about that, but first let’s try a different question,” I said. “I think I know the answers to this, based on what you’ve just said, but I’m going to pose the question anyway. We’ve talked about your attitudes toward innovation. But what about management’s? On a scale of one to ten, how would you rate your company on their innovation mindset?”

There were snorts of laughter.

“Can we use minus numbers?” asked the feisty Alyssa.

“I’d give us a four,” said Denise, a sales leader for the Midwest, as others nodded in agreement. “And that’s generous.”

“Yes,” agreed Ken. “A three, maybe a four, certainly no more than a five. I’ve been here for a few years now, and it’s always been challenging to get anything new and different approved. It’s frustrating. And that’s really why we need your help.”

“Look,” said Jim, the senior man, leaning forward on the table for emphasis. “This is an enormous global corporation, with a lot of a talented and smart people. But, for whatever reasons—fear of failure is probably a big one—we can’t implement the ideas that we know can help increase sales. And if the organization won’t support our ideas, they’re never going to fly.”

This was certainly not the first time I’d heard this lament. Employees whom I’ve interacted with in general find it stressful,

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difficult, and frustrating to advance new proposals and new ideas, or new ways of doing things, because of organizational resistance, rigid lines of authority, and other built-in obstacles common among companies whose culture is to play it safe.

It's true across industries. Take higher education—an area with which I also have significant experience and one that you would think would be most welcome to change. After all, aren't universities supposed to be the locus of new knowledge and new discoveries and incubators for new ideas? Yet, ask any professor or department chair at almost any college or university in the country and they'll tell you that it's nigh on impossible to implement change from the bottom up. "Too many rules, too many committees, too many layers of management," one administrator admitted to me. "I always have to stifle a laugh when I hear our provost or president drone on about our commitment to new ideas and busting silos and creating interdisciplinary partnerships. It all sounds great, but if you actually try to propose a partnership or a new initiative, you'll get shot down. 'That's not the way we do things' . . . 'We have to make change from the bottom up, not top down' . . . 'This will never work.' It'd be comical if it wasn't a sad testimony on the state of higher education."

Jim was right.

But why? What is it about the innovation process that is so concerning to large organizations (and some smaller ones, too)?

As we took a break, something Jim said stuck with me: the way he had managed to put his finger on the problem.

He'd talked about top management's fear of innovation and change. He was right. In my experience, it's fear that stifles innovation: fear of lawsuits, fear of change, fear of the wrath of superiors, fear of what will happen to you if you don't cover your backside.

Fear of all that.

But, ultimately, what paralyzes the innovation process is fear of failure.

And it's certainly not limited to the sales team in a struggling division of a major pharmaceutical company. Fear of failure pervades