

Why Your Smartest People Stop Taking Risks at Work (And How to Reverse It)

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Companies need to create the conditions that encourage experimentation.

You've probably said some version of it yourself: We need to be more experimental, more adaptive, faster to learn. And you truly meant it.

So why isn't it happening? The World Economic Forum's Future of Jobs Report 2025 found that 39% of core skills will change by 2030. Creativity, adaptability, and resilience are among the most in-demand of these skills. Many organizations talk about how these are the skills that they need more of. But in reality, there's a contradiction. These organizations want the outcomes of experimentation, but the signals they send breed the opposite.

This can look like asking for detailed business cases before they've tested these ideas, or step-by-step annual plans before putting the right conditions in place. They also demand multiple layers of sign-off before anyone can make the slightest change. Then they wonder why their teams hesitate, overthink, and relentlessly ask for permission.

Experimentation doesn't emerge because the company lists innovation as one of its values. It emerges when people believe it is safe, worthwhile, and expected to test ideas and learn as

they go. This begins with changing the way you lead and the environment your team operates in.

What a real test-and-learn culture looks like

The Australian technology engineer James Galdes experienced firsthand what the right conditions look like under extreme circumstances. In March 2020, he and his team had the job of building a functioning digital public health system for South Australia's COVID-19 response in just three weeks. This is a project that would normally take two years. With no committees, no approval layers, and no time to wait for perfect, they shipped a working version, gathered feedback, and improved it in real time. Three months later, the rest of the country adopted their approach.

James told me that "overthinking had diminishing returns." He said, "The best way to learn was to release, observe, and adapt."

When the crisis passed, the old conditions returned: approval layers, overplanning, caution, and the expectation of certainty before movement. What came with them was a slower rate of progress. The lesson isn't that organizations need more urgency or artificial crises to become adaptable. It's that in most organizations, the conditions for experimentation are not the norm.

When caution becomes the rational choice

When failed work carries consequences, people learn not to fail. If I hit my key performance indicators using last year's approach, why would I risk testing something new? When you pick ideas apart before testing them, people learn to hold them back. When you praise polished plans over rough thinking, people learn to perform certainty rather than bring curiosity.

On the surface, it often looks like good management. It looks like teams spending weeks building decks to justify an idea before testing whether it works. It looks like meetings where people defend recommendations instead of openly refining them. It looks like leaders are mistaking preparedness for progress. But these are signals of a culture that has learned to avoid failure, not one that learns from it.

As a leader, there are things you can do to build conditions that encourage experimentation. You can start with the following steps:

Focus on the learning process

When there's an unclear path forward, asking for a fully formed plan encourages people to manufacture certainty where none exists. Instead, ask, what do we need to learn first, and what's the fastest way to learn it? Commit to the smallest test that will generate useful information. A small experiment that fails still moves you forward. A large plan that you build on a set of flawed assumptions can cost the company a lot of money.

Change what you recognize

If the only work that gets acknowledged is successful work, people learn not to test anything unless success already feels likely. You need to learn to recognize the most adaptive teams that are willing to learn and reflect on what they discover and do differently as a result.

Stop performing certainty as a leader

If you only ever-present certainty to your team, they learn that uncertainty is something to hide. You can't build a culture where experimentation feels safe if they never see you testing, adjusting, or getting it wrong yourself. Talk about what you're trialing. Share what isn't working. Let people see you change your mind in response to evidence.

Change how you respond when something doesn't work

When something goes wrong, every person on your team watches to see whether the response is curiosity or consequence. Ask what happened, why it happened, what it taught the team, and how you'll adjust. Make reflection a regular part of how the team works week to week, not something that you reserve for failure.

If your team is hesitating, the issue may not be capability or appetite for change. It's more likely that your system is still teaching them that caution is the smartest response.

In markets that move faster than planning cycles, the organizations that win won't be those that plan best. It will be those who learn fastest. Run that experiment, and learn from whatever happens as a result.