Can action learning help organizations to learn from change?

'Those unable to change themselves cannot change what goes on around them' Reg Revans

Who drives change?

The nature of managerial work has undergone radical change in recent years. Among other developments, there has been organizational de-layering, self-managed teams, guru-driven change (such as business process re-engineering) and IT-enabled home-based working – all driving the creation of leaner, more flexible organizations in a globalized environment. The aim here is to identify ways in which organizations can learn from change and in so doing, assist the managers they employ to learn at work.

In his 1998 book 'futurewise: six faces of global change' Patrick Dixon predicts that 'either we take hold of the future or the future will take hold of us'. Commenting on the pace of change, and the turbulence it creates for organizations, Dixon wonders whether management gurus are partially to blame:

> Every week there are more books on management. Each one often contradicts what has gone before, struggling to find a fresh view…Expert confident managers will continue as before to dismiss management fads in favour of their own intuition and intelligence, working out their own solutions, adapting and borrowing as they go from a wide variety of sources. However the speed of change will guarantee an almost permanent supply of semi-neurotic managers who are constantly on the lookout for some new, comprehensive solution to their day-to-day problems (Dixon, 1998 p.4)

These changes, among others have radically affected the skill set that managers need in order to be effective in the context in which they now operate. Yet the challenge of learning at work is well within the grasp of any organization. The core activity of managerial work is to 'make sense' of what is perceived, so that appropriate action can be taken. A major problem with corporate training generally and management training specifically is that it fails to *transfer learning*. In turn, this helps to perpetuate a *non-learning culture*.

Why not change?

Many writers say that constant innovation is the best way to secure both individual and the organizational success. But what types of change can any given organization realistically handle? Even where capability is characterized by talented managers, leading edge technology, strong product portfolios and finances, managers rarely consider their organization's capabilities as carefully as they think about individual capabilities. The key skill that managers develop is the ability to 'make sense' and take effective action. If it were as simple as this, then change would merely sharpen these skills. Faced with ever shifting priorities, it generally falls to the CEO and his / her executive team, to shape an organizational culture and structure that values and practices ways of learning from change.

But can we really learn while we are in the middle of change?

"The only way to cope with a changing world is to keep learning…" (Dixon, 1998 p.31)

At any given time, an organization operates in a state of dynamic equilibrium. This means that the set of external and internal forces acting on it are held in balance with the aim of satisfying the dominant stakeholders. But does the 'theory' truly mirror the realities of organizational life? The answer is almost certainly 'no' for most medium to large organizations, where the relentless pace and pressure to perform tends to overshadow the opportunities for learning and in particular, structured learning from change. What then is the solution? Perhaps the key to successful change lies in 'dynamic stability' Here, organizations deliberately intersperse major change initiatives with carefully paced periods of incremental, organic change by deploying the following guiding principles:

(1) Borrow and adapt – don't reinvent the wheel
(2) Capture learning – what we know and what we are learning dynamically
(3) Manage internally – stability is easier to manage from the inside
(4) Encourage a generalist, 'open minded' approach

Step 1: Stop 'fire fighting'
Constant, reactive change or 'fire fighting' undermines any serious efforts to learn from change. It is most likely to occur when:

- Insufficient time to solve all the problems. In fact, many more problems than managers can deal with properly.
- Solutions are incomplete. Many problems are patched, not solved. That is, the superficial effects are dealt with, but the underlying causes are not fixed.
- Problems recur and cascade. Incomplete solutions cause old problems to re-emerge or actually create new problems, sometimes elsewhere in the organization.
- Urgency supersedes importance. Ongoing problem-solving efforts and long-range activities, such as developing new processes, are repeatedly interrupted or deferred because fires must be extinguished.
- Many problems become crises. Problems smoulder until they flare up, often just before a deadline. Then they require major efforts to solve.
- Performance drops. So many problems are solved inadequately and opportunities forgone that overall performance declines steeply.

Step 2: Consider: What benefits might be derived from embedded, organizational learning?
Here, renewal of the enterprise is the main driver and organizational learning is principally a means to this end. So in practical terms, what might this mean? Four propositions (P) underpin this approach:

P1: Organizational learning involves a tension between assimilating new learning (exploration) and using what has been learned (exploitation).
P2: Organizational learning is multilevel: individual, group, and organizational.
P3: The three levels of organizational learning are linked by social and psychological processes: intuition, interpretation, integration, and institutionalizing (4I's).
P4: Cognition affects action (and vice versa).

All this means that learning must be valued, 'championed' and practiced by senior managers and if it is to 'stick' it must be active (rather than passive) starting with questions (e.g. Why is this a problem?) directing the quest for 'deeper level' enduring solutions rather than the easier, though ultimately less helpful 'quick fix'.

Step 3: Consider: How do we learn from change?
If the reflective work at step 2 is to take root and influence the ways in which managers think and act, then senior managers must grapple with and begin to model themselves a 'new' work culture that encourages and respects openness, collaboration and interdependence. Easy to say but difficult to do unless, the executive team really shapes the work and learning culture and by so doing, actively promotes a desire to learn from change. At least five requirements need to be met before this can happen: (1) continuous and open access between individuals and groups, (2) free, reliable communication, where (3) interdependence is the foundation of cohesiveness, (4) trust, risk-taking, and helping each other is prevalent, so that (5) conflict is identified and managed. The key point here is the (latent) potential of individual associates to share their experiences among their own work groups, so that organizational benefits can begin to flow from shared (though still informal) insights.

Step 4: Lay the foundations for learning from change
It has been argued that contemporary organizations should strive to: (1) work, plan and think more creatively, (2) build from its knowledge about its products and processes (rather than re-inventing the wheel), (3) engage with its workforce at a deeper level, via concerted and cooperative action with internalized long-range commitment, and (4) embed learning as a way of responding to and understanding the challenges of complexity (markets, products, and the organization itself).

Step 5: Focus on desired outcomes
So then, what might happen if executives couple change with structured learning? First, individual managers will be more engaged and second, they are more likely to take seriously their own personal learning and career development. It is our contention here that organizational learning is a myth - learning from change can only benefit the enterprise as a whole if <u>individuals</u> take learning seriously and are recognized for their efforts. In cultural terms, this is unlikely to happen unless individual mangers feel: (1) that they can state their view openly, (2) their separate creative contributions can be integrated into a 'holistic' corporate effort, (3) that 'active' learning is valued and practiced by senior management, and (5) that the new knowledge and insight that is generated by learning from change will be embedded and used to deliver benefits for all.

Ok I'm convinced, so what next?

Many writers describe the role and influence of leaders on the formation of organizational values. Perhaps the three main channels of influence are:

(1) *Time devoted by the manager* – to daily tasks in meeting short-term schedules, often takes precedence over dealing with important long-term issues. Allocated 'manager time' is thus a clear signal to the staff as to where the priorities lie.
(2) *Managers' attention* – which has a similar effect to 'management time' allocation. Managers who consistently pay attention to certain aspects of their work, send clear messages about its relative importance.
(3) *Reward and recognition* – via bonuses, letters of appreciation, promotion, attractive assignments, allocation of resources, etc. Positive reinforcement increases the probability that the same behaviour will be repeated, and negative reinforcement acts in the opposite direction. Managers who value and reward learning activities, reward people who contribute to organizational learning, use aspects of learning as part of the process of evaluating employees, and make learning activity a criterion for promotion, reinforce the behaviours required for maintaining organizational learning. In combining leadership and learning, the executive must then model and practice at least three things. He/she must:

(1) *Ensure that learning is a key agenda item* as reflected by the manager's time, manager's attention, and the organization's reward and recognition channels of influence.
(2) *Build the structural foundations* needed to turn individual learning into organizational learning, namely to create learning mechanisms such as debriefing, learning teams, improvement teams, and so forth.
(3) *Create cultural and psychological conditions that will ensure that learning is effective.* This means establishing 'trust' so that learning is both honestly felt and spoken, meaningful and relevant.

Why not create your own corporate business school?

Fundamentally, a learning culture needs ways of supporting groups of people working together, with the goal of individually and collectively enhancing their capacities so as to create results that they truly care about. As a starting point, it is helpful to view the organization as a community of people. Next, overlay the individual agendas of the people who work in this community and in the context of change, the 'mindset' of the manager largely determines the extent to which collaborative learning flourishes or not. In fact, many writers argue that the mindset issue is best addressed by continually building on the knowledge base of the organization so as to prevent homeostasis – a steady state – from setting in. This is done by fostering a climate of learning for employees, and particularly for managers. A company espousing this philosophy has come to be called a learning organization. This sounds fine in practice, but the learning organization concept has failed to ignite due to impractical implementation methods based on wishful thinking, and an overemphasis on 'learning techniques'. Anyone who has had practical experience of embarking on this pathway knows how difficult the planning task quickly becomes, and how rapidly organizational resistance forms. These practical difficulties arise because of the sheer complexity of the concept, 'closed' mindsets, and because there are comparatively few self-motivated natural associates. So in practical terms, what can the organization do to learn from change. In our view, the best starting point is to 'flipchart' the opportunities for learning that exist inside the organization and use these to establish your own corporate business school. If these 'real' challenges can be used as 'trigger points' for learning and then captured as outcomes from collaborative working, then the effort involved will have been wholly justified. In fact, the organization will have created the most relevant, applied and productive way of developing its employees at work.

Will this really make a difference?

It is clear that the pace and complexity of organizational change *is* problematic, though what we have sought to show here is that it also yields a significant opportunity to learn from change. It is our contention too that this cannot be readily achieved from 'outside' the business and that in fact, the organization itself provides the best 'live action case' for business learning. By exploring and capturing the issues that really matter for the business, it is possible to customize and cascade an agenda for business learning that connects individual managers to each other (for shared learning) and individuals and small groups to the challenges that confront them at work. If the outputs from individual and collective work can be accredited and certified, then we have found that managers will readily respond to the opportunities to learn from change.

References

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