
Foreword

Blueprint for Organizational Learning

One of the tasks of leadership is to improve things. Although it sounds simple, it is “anything but”—which is why the book you are about to read on strategic organizational learning is both remarkable and extremely useful.

Why is it hard for organizations to learn? Leaders are inclined to remain committed to their decisions even when there is evidence that those decisions are not working as planned (Staw 1976). Even when leaders pay attention to data indicating the need to change, they may find it difficult to recognize and modify deeply embedded beliefs about how things should be done—beliefs that are reinforced by the organization’s systems and processes (Tushman and O’Reilly 2002). Another possibility is that leaders don’t really know how to approach organizational learning and system change.

Often leaders have lacked a good blueprint to focus their learning and change efforts. The *Strategic Leverage Through Learning*® model—with its rigorous approach to diagnosis based on a tested model of organizational learning and performance, its collaborative approach to formulating testable solutions, its facilitative data-driven process, its emphasis on learning from action, and its insistence on using metrics to track progress and adjust action—is that blueprint.

A number of scholars have called attention to the turnover of companies in the Fortune 500 over the past 75 years (see the 2012 report by Stangler and Arbesman for an analysis of what causes the turnover to occur). There is evidence that the rate of turnover is increasing, through mergers and acquisitions to be certain, but also through outright failures of organizations to adapt to changes in their environment. One can only imagine how sudden and shocking the demise must have been for some of these companies. Leaders who felt they had nothing to fear were suddenly on the defensive with limited options to fight back. If only these organizations could have learned what was happening to them and figured out how to take action before

it was too late, their fate might have been different. Of course, even healthy organizations can benefit from learning and improvement. Yet many organizations struggle without an effective blueprint for learning and action.

***Strategic Leverage Through Learning*®**

The model that Gephart and Marsick share here, *Strategic Leverage Through Learning*®, helps organizations catalyze innovation and sustain performance by understanding learning as an enabling strategic resource. Learning alone is not enough to drive innovation and sustain performance. Changes in the organization are also needed to leverage system dynamics. Organizational learning has become increasingly important to leverage performance to achieve strategic goals—as illustrated in the cases presented, whether it’s implementing a new strategy or business model, using executive education to support strategy implementation and strengthen networks, or generating ideas for increasing safety and saving lives. *Strategic Leverage Through Learning*® brings knowledge from the experience of those at the front lines to bear on both strategic and operational choices to improve performance.

The *Strategic Leverage Through Learning*® model provides a blueprint that guides organizations in using variations of a process that begins with systemic diagnosis as described above. A rigorous diagnosis, based on the model, enables stakeholders to understand system dynamics as they identify leverage points for change. It is in this way that *Strategic Leverage Through Learning*® works its magic.

The issue in most organizations is not a lack of interest in learning or change; it’s a lack of know-how, or a lack of agreement on where or how to begin. In organizations, there are many voices to be listened to, both internal and external, each driven by self-interests and motivations of various kinds. These voices may focus on some aspects of reality, but not others. Further, their urgings may be misguided or vitally important to the organization’s future, and there may be no good way in the moment to differentiate between the two. Never is the confusion we experience more pronounced than during change. Even though all of us would like things to be better, where things begin to break down is when we start talking about exactly who or what needs to change. While improvement is a shared goal, the objects of improvement and the best way to get from here to there are often fiercely contested. The inability to settle the arguments that arise during change may lead to an unproductive cacophony of voices that becomes louder and louder in direct proportion to the convictions of the speakers and their unwillingness to entertain others’ points of view. These dynamics are real and represent a powerful barrier to change. Unless they can be overcome, progress will be halted before it begins. The diagnostic phase of *Strategic Leverage Through Learning*® supports alignment, increases clarity, and signals a call to action that points at what must change and suggests where to begin.

Against this backdrop, *Strategic Leverage Through Learning*® provides a framework that guides learning and action. Data from multiple perspectives are gathered to prepare an overall picture of what is happening and of barriers to, and

supports for, what needs to happen. The voices of those closest to the action or “on the ground” are especially important to bring to the fore. Throughout the history of planned change in organizations, the tendency to plan things at the top and expect them to work without gathering actual data to check on what is really happening is a recurring theme. Some of the earliest studies in the field point to the importance of engaging front-line people in changes they are being asked to implement, like Coch and French (1948) and Trist et al. (1963).

When using *Strategic Leverage Through Learning*®, the development of strategies and actions is undertaken collaboratively, with the help of those who know how things really work and which levers will need to be pulled to make a difference at the end of the day. Of course, not all the things people think will work do work. That’s why the approach outlined here is characterized as *action-learning*; we try things out and then take a hard look at whether things really change as expected. If not, it’s back to the drawing board. We recognize that single changes may not have much impact in a complex, interdependent system. Multiple changes are required, and these changes must be used to increase alignment over time. Comparing progress to the metrics that were agreed upon at the beginning helps keep the process on track.

No Magic Bullet

There is no magic bullet. If real progress is the goal, investing time, resources, and attention is often required for significant improvement, as documented in the cases presented here. The cases are remarkable stories of organizations or collaboratives that rose above their own histories or limitations and set examples from which others can learn. These amazing stories—and the analyses of them by Gephart and Marsick—will help you understand how effective change can be implemented, even if you have no clear sense of where you are headed or how you will get there when you begin.

The world won’t become less complex or less competitive, and change will not slow down or become less necessary. Wise leaders understand that undertaking change is something that is as important to success as strategizing, risk management, and fiscal responsibility. *Truly* wise leaders understand further that change is not episodic but rather continuous, and that *learning* to change and learning *during* and *from* change are as essential to success as satisfying customers or acquiring the best talent.

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