

Culture change and organic growth

Overcoming barriers to organizational learning

By Anne Pappmehl



To handle the complex and ever changing nature of work, organizations need to be in perpetual learning mode. But are Canadian companies doing a good job? Some experts say no.

“You hear people talking about the virtues of the learning organization at conferences, but when you go in and work with their organization at different levels, you often find that the rhetoric and practice don’t line up,” says David Gouthro, president of the Consulting edge, a Vancouver-based leadership and development consulting firm.

David Garvin, author of *Building a Learning Organization*, defines the learning organization as “an organization skilled at creating, acquiring and transferring its knowledge, and at modifying its behaviour to reflect new knowledge and insights,” The Conference Board of Canada’s *Training and Development Outlook 2003 Report* surveyed a number of Canadian companies’ self-assessment relative to this definition, as well as Garvin’s four learning pillars. While the respondents generally reported satisfactory performance in two of the learning pillars, vision/support/results and knowledge management/infrastructure, they admitted weakness in the other two, culture and learning dynamics/systems.

Cultural support

Organizational learning takes place when there is a supportive culture that encourages risk taking and experimentation and gives employees the freedom to offer feedback and identify problems without fear of punishment. Learning is blocked when the proclaimed culture differs from the actual culture, as frequently happens. For instance, while a company may boast openness, innovation and learning in its mission statement, the real culture may be one where failure is punished and people survive by not rocking the boat.

When there is fear of retribution, scapegoating or lack of trust, employees may be reluctant to raise warnings, share information or report errors, sometimes with disastrous consequences. Additionally, failure to learn from past mistakes may pave the way for new ones.

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How does one transform such a culture to one of trust, openness, honesty and support, to support learning? While many organizational learning experts advocate identifying the gaps between perception and reality as the first step, “culture change is more about making the gaps discussible,” says Dr. Marilyn Laiken, associate professor of adult education at the Ontario Institute for Studies in Education, University of Toronto. “There are always going to be gaps and differences between what we say we want to do and what we do because we are not perfect. But creating an organizational culture that lets the issues surface and be discussed, in a way that doesn’t put blame on people for being wrong, is probably the most important cultural change an organization can make.”

Paradoxical as it may sound, a blame-free environment can also help an organization achieve greater accountability. In their book, *The Knowing-Doing Gap*, Jeffrey Pfeffer and Robert I. Sutton present a case study of how nursing units with better leadership and relationships among co-workers reported more errors. It’s not that the culture of openness caused more errors; rather, when the fear of punishment was removed, people were more inclined to come forward and report mistakes, from which everyone could learn.

Modern organizations have inherited many cultural relics from the Industrial Age, including hierarchical management structures that are inflexible and unresponsive to turbulent environments and inhospitable to human creativity and learning, says Laiken. For instance, she notes, “there still persists a view that time spent on specific task completion is the only legitimate form of work. Meetings, especially if they contain explorative conversations prior to decision making, are often experienced as time away from real work or wasted time.”

The same goes for thinking, says Gouthro. “A typical scenario is one where the manager finds you looking out the window, asks what you’re doing and you say, ‘I’m thinking,’ The manager tells you to get back to work because you don’t have time to think, as if it’s a discrete activity.” Asking questions, another activity that promotes individual, team and strategic learning, is often seen as a distraction rather than added value, especially when people are time-pressed, says Gouthro. “But good questions should be revered because they help the organization move forward, whereas answers simply tell us what we already know and keep us stuck in the past.”

The bottom line on culture change is in enabling the entire range of skills and talents of all employees to be used in an interactive and collaborative fashion. “If you think of the best learning situation you’ve ever been in,” says Laiken, “it was probably one that encouraged discussion, thinking, asking questions and active participation from everyone. If you recreate that culture in the organization, you’ll have a learning organization.”

Learning dynamics and systems

Learning occurs both formally and informally, and in an ideal setting, there are systems that support that. But most organizational settings are far from ideal, and “very rarely do you see them devoted specifically to learning, and in many cases employees are expected to do it on their own,” says Gouthro. “When things get busy, particularly in a production-oriented organization, the learning gets set aside.”

Even when companies commit time to formal learning through training sessions, workshops and seminars, they often fail to achieve learning benefits. Why? As Daniel Goleman points out in his book, *Working with Emotional Intelligence*, “you can’t transform

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people with a one-day seminar.” To learn a new skill, people need repeated chances to practice it over an extended period, “yet this simple rule of thumb is ignored time and time again in training.” Surprisingly, return on investment (ROI) can be seven times greater from practicing during training than for didactic sessions alone, writes Goleman, referring to research by Lyle Spencer Jr. and Charley Morrow.

Another practice that can yield substantial ROI is built-in reflection time. “If I were to give one bit of advice to an organization that would make a substantial difference in its learning,” says Gouthro, “it would be for each individual to take ten minutes each day to think about how they lead and how they want to lead. So often the only times people think about people management or leadership issues is when there is a problem, and that’s usually not when there’s much time to sit and reflect.”

The reflective process can also help circumvent future problems or mistakes, adds Laiken. “Research indicates that unexamined experience simply repeats itself, while a conscious examination of the learning derived from direct experience results in new approaches that often avoid past mistakes. It’s a bit of a paradoxical outcome. In our research, we found examples of improved decision making, increased work efficiency and enhanced overall productivity when workers were able to intersperse periods of reflection with direct action in their working day.”

As much as we understand about the utility of these practices, in theory, competing values and ineffective reward systems often prevent us from putting them into practice. “The consequences for missing performance targets or failure to address problems tend to be fairly immediate,” says Gouthro. “On the other hand, the rewards for initiatives like creating time for learning and spending time with your staff, tend to be unpredictable and time delayed and therefore not particularly strong motivators.”

One way organizations could make reward systems more effective might be to reward employees for their collective support rather than individual achievement, says Gouthro, using a hockey analogy to make his point. “A player gets two points for each goal and one point per assist. If you reversed it and gave players two points per assist and one point per goal, you’d have people bending over backwards to help one another score. It’s the same thing in an organization. If you rewarded people for their ability to support others, rather than what they accomplish on their own, you’d see quite different behaviour and probably better performance and more shared learning.”

But not many organizations are willing to test that theory. Individual rewards remain the typical fall back position of many organizations, partly because they are easy to do and are still perceived as fair. Plus, you avoid having to deal with the one or two team members who underperform. Even when employers reward entire teams, “people take the easy way out and divide the reward money equally rather than have those tough conversations with the team member who is underperforming,” says Gouthro.

Our mechanistic view of organizations and the people in them is another hindrance to effective learning. Human learning can’t be neatly categorized into discrete units or models, says Marcel Danesi, professor of semiotics, anthropology and communication theory at the University of Toronto. “Each person has his or her own learning dynamics and there’s too much variation among individuals for these dynamics to be predictable.”

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How do organizations create systems to accommodate these differences? "If you use gardening as a metaphor," says Gouthro, "you might try some things, make some mistakes and learn from them, then try something else and the system grows naturally. It's the same way with an organization. When managers take more of a biological approach to organizational learning, they succeed." Where they fail, adds Gouthro, is in trying to engineer perfection. "You end up failing because there are too many complex, interrelated variables."