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Demystifying Organizational Learning



It began when the CEO read a book by one of the leading gurus of organizational learning. The book touched a deep desire to transform her organization into something special, something that would not only serve the shareholders but also enable individuals to realize their potential. It was easy to lose sight of these deeper values in the daily struggle to keep one's head above water, but now she was determined to act on them.

The CEO contracted with a consulting firm experienced in the "learning organization" to facilitate the annual retreat of the executive team. Her team came away inspired after 3 intensive days of lectures, exercises, dialogue, and reflection. Many of them had never engaged their colleagues or even themselves so deeply or let themselves envision what they might accomplish. There were, of course, skeptics who had seen this all before. To them, it was little more than empty rhetoric, wishful thinking, and a diversion from the cold hard realities of organizational life. However, they kept their doubts to themselves and played along.

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The HR Department was assigned to roll out an organizationwide program for becoming a learning organization. Vision and value statements began to appear in the CEO's addresses, in memos, on walls, and on the organization's Web site. A large investment was made in training. One division, which was selected for an intensive pilot program, embraced these ideas and experienced an upsurge of motivation and teamwork. A general training program in organizational learning was designed for all employees, but in practice it was carried out primarily at middle and supervisory levels. There was plenty of enthusiasm, and soon the language of organizational learning began to seep into normal organizational discourse.

Then things got stuck. The problem was not resistance to change or the ideas themselves. To the contrary, these ideas almost inspired many employees at all levels, though there were also plenty of skeptics. The problem was translating them into everyday action. The ideas, exercises, and tools that were so inspiring in training seemed to fall flat when transferred to the actual work. Learning projects were initiated but rarely carried through. After undergoing training, many employees had the feeling of being "all dressed up with nowhere to go." The gap between rhetoric and action provided an opening for those who knew all along that organizational learning was just another fad to be endured. Skepticism grew and even turned to cynicism.

What's more, the executive team's commitment to the program began to wane. The CEO continued to refer to the learning organization in her speeches, but when the organization encountered serious financial trouble, funding for training and projects was cut back and learning took a back seat to survival. On the individual level, many employees had been influenced by these ideas, and there were a few pockets of ongoing activity. The organization, however, was not transformed. And after a while, it shifted focus to implementing a new system for knowledge management.

We have encountered this story again and again in many variations in organizations large and small, in business, government, military, educational, and social services. In fact, we have been *in* this story as researchers, teachers, consultants, and organizational members ourselves. This story deeply concerns us because it reflects what we call the "mystification" of organizational learning (Lipshitz, Popper, & Friedman, 2002). According to *Webster's Collegiate Dictionary*, "mystify" means to "bewilder" or "make mysterious or obscure." And, indeed, we have observed that the more that is written and discussed about organizational learning, the less clarity and agreement there seems to be about what it means and how it can be put into practice in the

everyday life of managers and their organizations (Berthoin-Antal, Dierkes, Child, & Nonaka, 2001).

We care deeply about the problem of mystification because we believe that the idea that organizations *learn* represents one of the most significant advances in management theory in the last 50 years. During the past decade, organizational learning has emerged as a critical concern for managers (Arthur & Aiman-Smith, 2002, p. 738; Senge, 1990). It has been called an “essential core competency” for managers, consultants, and researchers (Sugarman, 2001, p. 62). Today it would be hard to find any organization that does not aspire to be a learning organization (Gerhardi, 1999, p. 103). Nevertheless, organizational learning remains an elusive concept for managers and researchers alike (Arthur & Aiman-Smith, 2002; Crossan & Guatto, 1996; Crossan, Lane, & Roderick, 1999; Easterby-Smith, 1997; Garvin, 2000).

It may sound a bit strange (and bad for sales), but our purpose in writing this book is not to inspire you. There are already plenty of good inspirational works on organizational learning and the learning organization. We admire many of these works and have incorporated their ideas into our own practice, but our purpose is not to add another one. Rather, our goal is to present a set of ideas aimed at *demystifying* organizational learning so as to make it more accessible to managers, researchers, or consultants in their everyday practice. This means addressing three basic questions: How can organizations actually learn? What is the key for productive organizational learning? When is productive organizational learning likely to occur?

Our ongoing struggle with these questions has led us to develop a solid, research-based, and integrative multi-facet model of organizational learning that can help bridge the gap between theory and practice. This model draws on existing theory and research, practitioner accounts, and our own insights as researchers and consultants (Lipshitz, Popper, & Friedman, 2002). We believe that this model provides managers and researchers with conceptual tools that will enable them to more effectively initiate, enhance, support, and/or research organizational learning from any position within an organization.

The story told at the beginning of this chapter could apply to practically any innovation in management, but organizational learning presents a special, more extreme case of mystification and its consequences. Therefore, we begin this chapter with a look at the factors that have led to the mystification of organizational learning. Then we begin the task of demystification by briefly presenting the multi-facet model, the way in which each chapter develops this model, and how you might read this book.

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❖ THE MYSTIFICATION OF ORGANIZATIONAL LEARNING

Both the academic and the popular literature on organizational learning have contributed to the process of mystification in five ways: (1) multiple parochial disciplines, (2) treating organizations like people (the problem of anthropomorphism), (3) splitting the field into visionaries and skeptics, (4) chic and mystique, and (5) actively mystifying the concept.

Multiple Parochial Disciplines

The mystification of organizational learning is partly produced by the multiplicity of viewpoints from which it has been studied. Twenty years ago, a survey of the field of organizational learning found that there was "considerable inconsistency in what is being observed and how it is being measured" (Fiol & Lyles, 1985, p. 811). Six years later, research on organizational learning still reflected a lack of cumulative and integrative work, little agreement on what organizational learning is, and few research-based guidelines for managers wishing to promote it (Huber, 1991). Despite the explosive growth in the literature, the field still lacks theoretical integration or convergence on what is meant by the term (Berthoin-Antal et al., 2001; Crossan et al., 1999; Garvin, 2000, p. 10; Snell, 2001). Operationally defining and measuring organizational learning has proven to be "excruciatingly hard to do" (Arthur & Aiman-Smith, 2002, p. 739) so that there is still a lack of cumulative empirical research (Lant, 2000). In other words, the more organizational learning is studied, the more obscure it seems to become. Indeed, some observers suggest that the learning organization resembles "a management Rorschach test" because one can see whatever one wants to see in this concept (Yeung, Ulrich, Nason, & Von Glinow, 1999, p. 10).

Why has it been so difficult to achieve conceptual clarity in the field of organizational learning? At least part of the answer appears to be that organizational learning has acted as a kind of conceptual magnet, attracting scholars from multiple parochial disciplines to focus on the same phenomenon—or different phenomena under the same name. The learning metaphor has offered fertile ground in which each discipline could stake its claim, generating its own terminology, assumptions, concepts, methods, and research. For example, the *Handbook of Organizational Learning and Knowledge* includes separate chapters for each of the following disciplinary perspectives on organizational learning: psychology, sociology, management science, economics, anthropology, political science, and history (Dierkes, Berthoin-Antal, Child, & Nonaka, 2001).

The existence of a variety of perspectives on organizational learning was identified early on by Argyris and Schön (1978), who concluded that the challenge was to “invent a productive synthesis of fragmentary approaches” (p. 331). Synthesis, however, has been difficult to come by. The more organizational learning and related phenomena have been observed and studied, the more conceptually complex and ambiguous they have become (Argyris, 1980; Barnett, 2001; Castillo, 2002; Ortenblad, 2002). Divergence begets divergence, giving rise to a secondary stream of organizational learning literature offering typologies and conceptual frameworks for making sense of the theoretical diversity.

The attraction of organizational learning for multiple parochial disciplines may be a reflection of the complexity and multidimensionality of the phenomenon itself (Berthoin-Antal et al., 2001). There are many ways of dividing up the field, inviting new perspectives and new typologies. Table 1.1 presents a sample of typologies that have emerged over the past 20 years and illustrates the diversity of ways in which the field can be conceptualized.

Table 1.1 is merely intended to compare these frameworks rather than offer an alternative typology. Our view is that adding another typology would only contribute to the mystification of organizational learning at this point in the development of the field. Pawlowsky (2001) expressed this view when he questioned whether “new contributions should be valued as increases in knowledge about organizational learning or whether they just add to the growing diversity.” He then answered the question by stating that “the current growth of literature . . . coincides with a sense of ambiguity, lack of consensus . . . and even growing confusion” (p. 64). Even so, Pawlowsky himself suggested a new framework of five perspectives on organizational learning based on different theoretical traditions and assumptions.

Treating Organizations Like People

Much of the thinking on organizational learning assumes that organizations learn like people learn. This assumption entails anthropomorphism—attributing a human capacity (learning) to a non-human entity (organization) (Doving, 1996). There is, for example, a high degree of similarity between Kolb’s model of how individuals learn from experience (Kolb, 1984) and the Shaw and Perkins model of organizational learning (Shaw & Perkins, 1992). The only substantive difference is the addition of “dissemination” in the latter (see Chapter 2 for a graphic comparison of these two models).

Table 1.1 Conceptual Frameworks for Organizational Learning

Shrivastava (1983)	Adaptive learning	Assumption sharing	Development of the knowledge base	Institutionalized experience effects (Learning curve)	
Wiegand (1996)	The James March approach (Behavioral)	The Chris Argyris approach (Individual as agent)	Knowledge-based	Theoretically eclectic	Theoretically integrative
Edmondson and Moingeon (1997)	Residues: Organizations as residues of past learning	Communities: Organizations as collectives of individuals who can learn and develop	Participation: Organizational learning through policies that engage individuals in contributing to the organization	Accountability: Organizational learning through development of individuals' mental models	Systemic thinking and systems theory
Easterby-Smith (1997)	Psychology and organizational development	Sociology and organization theory	Management science	Strategy	Production management
Pawlowksy (2001)	Organizational decision making	Systems theory	Cognitive knowledge	Cultural	Cultural anthropology
					Action learning

Individualistic-normative

Systemic thinking and systems theory

Theoretically integrative

Theoretically eclectic

Knowledge-based

The Chris Argyris approach (Individual as agent)

The James March approach (Behavioral)

Shrivastava (1983)

Edmondson and Moingeon (1997)

Easterby-Smith (1997)

Pawlowksy (2001)

It is, however, far from self-evident that organizations are actually capable of learning. Kolb's model is plausible because the human nervous system enables people to execute the processes specified by the model. It is not at all clear how organizations can perform the operations specified by Shaw and Perkins. Simply extrapolating from individual learning to organizational learning overlooks significant differences between the two. It also obscures the critical question of how the learning of individual organizational members becomes "organizational."

Researchers who take a behavioral approach to organizational learning solve the problem of anthropomorphism by more or less ignoring it or defining it away (e.g., Arthur & Aiman-Smith, 2002; Baum, Xiao Li, & Usher, 2000; Cyert & March, 1963). They define organizational learning in terms of outcomes (changes in standard operating procedures) but treat learning processes as a "black box." Nevertheless, they still draw heavily on anthropomorphic metaphors such as imitation, improvisation, experiential learning, and vicarious learning (Baum et al., 2000) or exploration versus exploitation (March, 1991).

Researchers who take a more cognitive approach to understanding organizational learning have attempted to look inside the black box. Argyris and Schön (1978) addressed the question of anthropomorphism directly by asking, "What is an organization that it may learn?" Recognizing that only individuals can act as agents of learning, they suggested that organizational learning occurs when individual members reflect on behalf of the organization. They linked learning to changes in mental "theories of action" that not only drive individual behavior but which can be inferred at the organizational level as well. The drawback of this latter solution to the problem of anthropomorphism is that the transition from individual to organizational learning remains unspecified.

Much of the practitioner-oriented literature on learning organizations uses anthropomorphic language that appeals to the imagination but masks complexity. For example, Garvin began his book on the subject by discussing how learning is an essential aspect of everyone's life. A few paragraphs later, he shifted effortlessly, and uncritically, from individual learning to organizational learning, offering a "few simple litmus tests" to help managers know whether their organizations are learning organizations: "Does the organization have a learning agenda? Is the organization open to discordant information? Does the organization avoid repeated mistakes? Does the organization lose critical knowledge when key people leave? Does the organization act on what it knows?" (Garvin, 2000, pp. 13–15).

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It is immediately apparent that "organization" is treated here as a subject capable of "having a learning agenda," "being open to discordant information," "avoiding repeated mistakes," "losing critical knowledge," and "acting on what it knows." At first glance, these questions appear to be quite concrete and unproblematic, so the anthropomorphism might be easily overlooked or excused. However, difficulties arise as soon as one considers how a manager might actually answer these questions. How could any manager know whether the organization is open to discordant information, avoids repeated mistakes, loses critical knowledge, and acts on what it knows? For an organization of any size, these questions are enormously complex. Which percentage of organization members should be behaving this way, for example, in order to say that "the organization acts on what it knows?" Treating organizations as if they were human beings is a helpful heuristic for thinking about organizational learning. However, it has also added to its mystification by projecting human abilities onto the organization and obscuring the causal mechanisms through which organizational processes occur (Doving, 1996).

Visionaries and Skeptics

Almost from its beginning, the field of organizational learning has been characterized by a fundamental dichotomy between visionaries and skeptics. Several seminal works on organizational learning expressed doubts about the ability of organizations to learn (e.g., March & Olsen, 1976). Argyris and Schön (1978) focused on the limits to learning but argued that these limits could be overcome through a fundamental change in thinking and behavior that could be created through new kinds of consulting, teaching, and research (Argyris, 1980; Argyris, Putnam, & Smith, 1985). Over a decade later, Huber's evaluation of the literature still focused on the "obstacles to organizational learning from experience" (Huber, 1991, p. 95).

The visionary approach to organizational learning received its greatest thrust from Peter Senge's *The Fifth Discipline* (1990), which synthesized a number of innovative ideas into a vision of the "learning organization" in which "people continually expand their capacity to create the results that they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together" (Senge, 1990, p. 3). This unabashedly utopian message is reflected in the title of the first chapter of the book, taken from Archimedes: "Give me a lever long enough . . . and single-handed I can move the world."

Not surprisingly, the loftiness of Senge's vision added not only to the popularity of organizational learning but also to its mystification (Jackson, 2000). It projected a compelling image of the desired state—the learning organization—while leaving obscure the concrete steps that need to be taken to achieve it. Despite the publication of works intended to fill this gap by providing tools and techniques (e.g., Senge, Kleiner, Roberts, Ross, & Smith, 1994), research has shown very limited results (Ford, Voyer, & Gould-Wilkinson, 2000; Schein, 1996). Sugarman (2001) termed the learning organization concept an essential core competency, but his analysis of five case studies concluded that making such a change is “a huge accomplishment—even in just one segment of the whole [organization]” (p. 75). Garvin (2000, p. 5) pointed to the ongoing mystification stemming from the “reverential,” “utopian,” and “uplifting” rhetoric of organizational learning, which provides little “comfort to practical-minded managers.”

According to Driver (2002), the visionaries are mainly practitioners and consultants looking to sell their advice to client organizations, whereas the skeptics are mostly academics looking to publish by setting forth an overly critical view. Some skeptics, particularly those with postmodernist orientation, view organizational learning and the learning organization as “a nightmare for [organizational] members” (Driver, 2002, p. 34). They view these concepts as rhetorical devices used by those in power to trap employees into a utopian vision so that they can be more effectively exploited:

The “learning organization” is naught but a Hawthorne light bulb with a dimmer switch, intended to stimulate productivity regardless of its chameoleonic brilliance. It is a Machiavellian subterfuge, it is a pimp, and the employees, the hapless prostitutes. (Armstrong, 2000, p. 359)

This critique is rather mystifying in itself. The rich imagery and polemical tone shed more heat than light on the subject, leaving practitioners and scholars to wonder whether they are really prophets or prostitutes—and what it all means.

Chic and Mystique

The field of organizational learning has injected a rich new terminology that includes concepts such as “double-loop learning,” “systems thinking,” “mental models,” “organizational memory,” “competency traps,” “dialogue,” “tacit knowledge,” “reflection,” “defensive routines,”

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“absorptive capacity,” “knowledge creation,” and so on. The jargon is very appealing and easy to adopt (chic) but difficult to really understand and use in an appropriate fashion (mystique) (Lipshitz, 2000). For example, Argyris and Schön (1974) introduced the concept *double-loop learning* to describe a particular and rare type of learning within the context of a specific theoretical framework. Nevertheless, this term is one of the mostly widely cited in all of the organizational learning literature, usually taken out of its original context and used loosely to refer to almost any type of far-reaching organizational change.

Lane, Koka, and Pathak (2002) described how the use of the concept *absorptive capacity* has tended to obscure rather than clarify its meaning. They described this tendency as the “reification” of absorptive capacity, treating a complex phenomenon as a distinct integral “something” that organizations possess or want to acquire. Reification also inhibits research into the relationships and dynamics a construct is meant to capture. As Lane and colleagues (2002) put it, reified concepts are used as a kind of “magic talisman” to be “waved at” problems rather than as rigorous conceptual tools.

When organizational learning was reframed as the “art and practice of the learning organization” (Senge, 1990), the term *learning* became a qualifier for those organizations that have a capacity for learning. This reframing lent itself to a kind of thinking that creates a false dichotomy between organizations that learn and those that do not. Furthermore, there are no clearly defined, operationalizable criteria for determining when an organization becomes a “learning organization.” As a result, the concept of the learning organization has become reified, lending itself to public relations or image management.

Active Mystification

Why does the vision of the learning organization remain popular even while its meaning and practical application have remained largely obscure? One explanation is that obscurity may actually increase its appeal. As one observer put it, “Being a learning organization is a long-term guiding aspiration that can be glimpsed, but is not likely to be achieved in the near future” (Snell, 2001, p. 333). Jackson (2000, p. 207) attributed the power of Senge’s approach to “the dramatic qualities of his socially rooted vision . . . [the] ability to inspire followers to see themselves actively engaged in building a learning organization.” In other words, the appeal of this vision may have more to do with what it says to managers about the meaning of their work than what it actually does for the organization.

For many practitioners, the appeal of the “learning organization” may be more spiritual than instrumental. Senge’s *The Fifth Discipline* was one of the first major management works to speak directly to a desire for spirituality and meaning in organizational life (Delbecq, 2000; Elmes & Smith, 2001; Vaill, 2000b). The book jacket of *The Fifth Discipline* states that it is “a remarkable book that draws on science, *spiritual wisdom* [our italics], psychology, the cutting edge of management thought, and on Senge’s work with top corporations.” Personal mastery, one of the five core disciplines, represents a “*quest* [our italics] for *continual learning*” on the part of the individual from which “comes the spirit of the learning organization.” This spirit emanates from the “*transcendent* [our italics] values of love, *wonder* [our italics], humility, and compassion” (Kofman & Senge, 1993, p. 16). These quotations all reflect a shift from framing organizational learning in terms of organizational effectiveness to framing it as a spiritual quest.

Mystification plays a very important role in this reframing of organizational learning as spiritual quest. Like science, a spiritual quest is a search for knowing, but it differs from science because knowledge is revealed while remaining hidden.

Homo religiosus, like cognitive man (scientist), seeks the lawful and the ordered, the fixed and the necessary. But for the former, unlike the latter, the revelation of the law and the comprehension of the order and interconnectedness of existence *only intensifies and deepens the questions and the problem* [our italics]. For while cognitive man discharges his obligation by establishing the reign of a causal structure of lawfulness in nature, *homo religiosus* is not satisfied with the perfection of the world under the dominion of law. For to him the concept of lawfulness is in itself the deepest of mysteries. (Soloveitchik, 1983, p. 7)

From the spiritual perspective, order, causal explanation, and instrumental concerns are not an end but rather a starting point from which to engage and experience deeper mysteries. The desired state of affairs for a spiritual consciousness is awe and wonder (Heschel, 1955). Thus, mystification plays an important role in keeping the learning organization as something that can be glimpsed but never fully achieved. Utopian visions and spirituality may have important roles to play in organizational theory and practice, but they also place a heavy burden on the practice of organizational learning.

If the ability to learn better and faster is important for organizations, then mystification might justifiably be added to Senge’s (1990) list of

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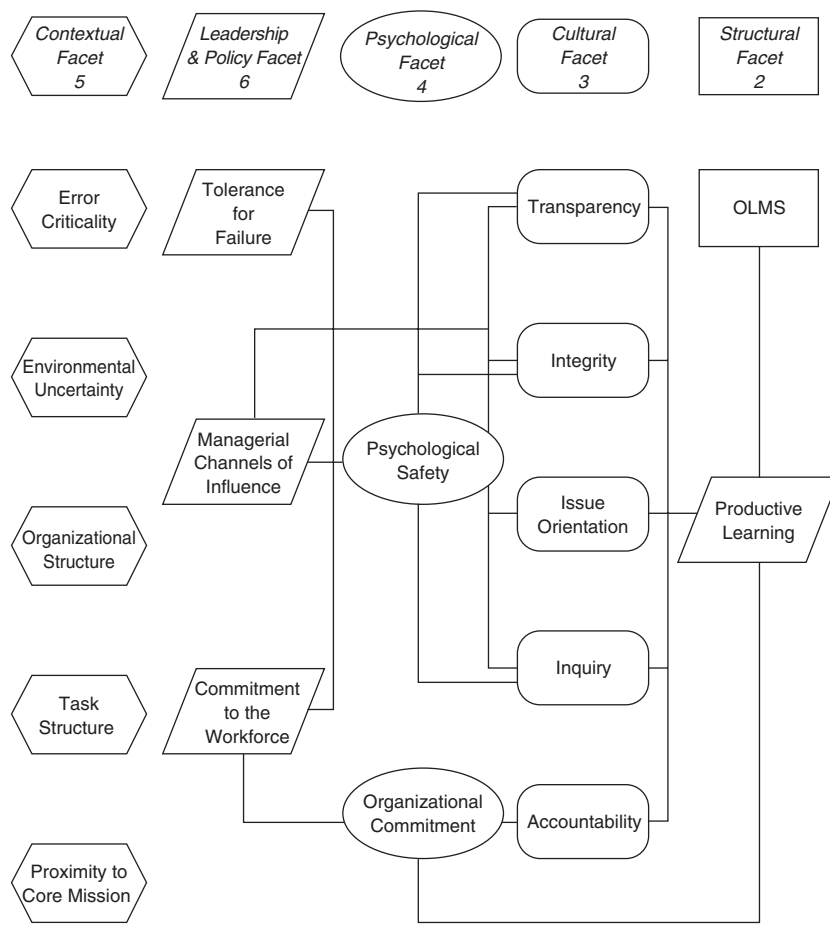
seven organizational “learning disabilities.” Mystification poses a threat to the long-term health of inquiry. It adds to the concept’s allure while at the same time impeding theoretical integration and obscuring the links between theory and practice. If the concept of organizational learning continues to remain largely obscure, it is likely that researchers and practitioners will become frustrated and lose interest.

❖ DEMYSTIFICATION

Demystifying organizational learning requires a set of concepts that can guide the actions of managers and researchers who want to promote or study organizational learning in their everyday practice. These concepts must speak to people in a wide variety of organizational contexts and at all levels of management. They must avoid the pitfalls of multiple parochial disciplines and anthropomorphism. They must avoid chic jargon and provide a terminology that can be clearly connected to observable phenomena. They cannot be overly visionary nor overly skeptical, neither utopian nor a cookbook.

This book attempts to provide such a set of concepts in the form of an integrative “multi-facet” model of organizational learning (see Figure 1.1) that draws on existing theory and research, practitioner accounts, and our own insights as researchers and consultants. The “facets” in this model are five sets of factors that determine the extent to which learning is *organizational* and *productive*. These facets, each of which is described in detail in a separate chapter, include structure (Chapter 2), culture (Chapter 3), psychological climate (Chapter 4), contextual (Chapter 5), and leadership and policy (Chapter 6).

The model deals with multiple parochial disciplines by identifying the sound empirical findings of existing research, finding significant commonalities among seemingly divergent approaches, and combining them into a single conceptual framework (Barnett, 2001). It aspires to achieve a balance between clarity and complexity, being complete enough to accurately capture the factors that influence organizational learning and parsimonious enough to be easily grasped and used by both managers and researchers. For managers, these facets provide a set of criteria through which they can assess the actions they need to take to promote learning around a particular task in a particular organizational context. For researchers, the facets provide a set of factors that can be operationalized and studied empirically.

Figure 1.1 Facets of Organizational Learning

Before turning to the model, however, we need to clearly define the term *productive* organizational learning. Rather than attempt to produce definitive answers to the definitional dilemmas previously described our approach offers a pragmatic solution that builds on the definition of *organizational learning* as the detection and correction of error (Argyris & Schön, 1996). To this basic definition, we add the discovery and exploitation of opportunity. This definition, which includes both insight and action, views learning as a cyclical process involving the evaluation of past behavior, the discovery of error or opportunity, the

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invention of new behaviors, and their implementation. According to our definition, productive learning is a conscious and critical process of reflection intended to produce new perceptions, goals, and/or behavioral strategies (Doving, 1996).

Based on this definition, we posit two criteria for determining whether learning is productive or not. The more rigorous criterion is conclusively showing that learning results in intended organizational outcomes. Unfortunately, it is often difficult, if not impossible, to establish such a clear causal connection. The impact of new organizational knowledge can never be fully determined. Different stakeholders may hold very contradictory views about what constitutes usefulness and how knowledge contributes to the well-being of the organization. In addition, knowledge deemed worthless today may eventually prove critical for the organization's survival, and lessons deemed worthwhile today may turn out to be the seeds of disaster.

The more practical criterion is showing that learning results in organizational *action* based on *valid* knowledge. Knowledge is valid to the extent that it withstands critical evaluation and is not based on willfully distorted information or unquestioned interpretations. Critical evaluation focuses on the ends as well as the means of new knowledge. This criterion would at least require considering the productiveness of learning destructive or unethical practices. It is also based on the assumption that acquiring information or new knowledge is not enough. Knowledge must inform the behavior of organizational actors, even if such a link to intended outcomes cannot be clearly established (see Chapter 7 for an in-depth discussion of what we consider to be "actionable" knowledge).

❖ THE FACETS OF ORGANIZATIONAL LEARNING

The Structural Facet (see Figure 1.1)

The multi-facet model begins with the following question: How can we account for *organizational* learning without resorting to anthropomorphic metaphors? What organizational mechanisms fulfill the function of the central nervous system in human learning? Our answer to this question is to look at the *structures* that enable organizational members to jointly collect, analyze, disseminate, and apply information and knowledge. We call these structures "organizational learning mechanisms" (OLMs). They include the roles, functions, and procedures that enable organizational members to systematically collect, analyze, store, disseminate, and use information relevant to their own and other members' performance.

In the multi-facet model, OLMs are the fundamental building blocks of organizational learning. OLMs are concrete observable entities that provide a means for observing and specifying where and when organizational learning occurs. They also make a clear distinction between the individual and organizational levels of learning. Chapter 2 takes an in-depth look at this *structural facet* of organizational learning and presents four basic types of OLMs using real-world examples from the literature and our own research (Baird, Henderson, & Watts, 1997; Carroll, 1995; Cheney, 1998; DiBella, Nevis, & Gould, 1996; Dodgson, 1993; Gulliver, 1987; Lipshitz & Popper, 2000; Lipshitz, Popper, & Ron, 1999; Popper & Lipshitz, 1998).

The Cultural Facet (see Figure 1.1)

The existence of OLMs explains how organizations learn, but it does not account for *productive* learning. We argue that productive learning occurs when *organizational culture* supports both the creation of valid knowledge and taking action on that knowledge. Chapter 3 looks at the role of culture and how it affects organizational learning.

It is interesting that the literature takes a mainly negative stance toward organizational culture, regarding it as a *barrier* to organizational learning (e.g., De Long & Fahey, 2000; Ford et al., 2000; Tan & Heracleous, 2001).

In contrast, we argue that it is more useful to think of effective OLMs as “cultural islands” characterized by cultural norms more conducive to learning than those of the organization as a whole. Based on the literature and our own experience, we specify five norms that promote learning: inquiry, issue orientation, transparency, integrity, and accountability (Argyris & Schön, 1978, 1996; Beer & Spector, 1993; Davenport, De Long, & Beer, 1998; Davies & Easterby-Smith, 1997; DiBella et al., 1996; McGill, Slocum, & Lei, 1993). This chapter defines each of the five norms and illustrates them with examples drawn from real OLMs.

The Psychological Facet (see Figure 1.1)

The willingness of people to act on and internalize learning-oriented norms depends on the way in which they think and feel. Thus, Chapter 4 explores this *psychological facet* of organizational learning and its influence on behavior in OLMs. The model specifies two key factors that influence learning behavior: degree of psychological safety and commitment to the organization. Psychological safety engenders trust and enables people to face the risks of inquiry, transparency, and accountability (Edmondson 1999; Schein, 1996). Organizational commitment is

particularly important for counteracting the dysfunctional effects of politics and game playing on learning.

The Leadership and Policy Facet (see Figure 1.1)

The leadership-policy facet, presented in Chapter 5, describes the *channels of influence* through which managers can foster organizational learning. These channels include the leadership behaviors and organizational policies that support the development of OLMs and learning-oriented cultural norms. Learning-oriented leadership and policies communicate a clear commitment to learning, tolerance for error, and commitment to the workforce. The literature on organizational learning, however, tends to emphasize the role of “heroic” leadership, usually from the CEO, in transforming their organizations. This emphasis inspires but also contributes to mystification because most managers are neither heroes nor in the position to transform their organization. Therefore, in this chapter, we address the ways managers at any level can promote learning without necessarily having to wait for an overall organizational transformation.

The Contextual Facet (see Figure 1.1)

Chapter 6 looks at the contextual facet of organizational learning. This facet includes those factors that have an important impact on organizational learning but are largely outside of managerial control. They include the degree of environmental and task uncertainty, task structure, proximity of the learning to the organization’s core task, and the degree to which errors can be costly. We also treat the overall organizational structure as a contextual factor because for most managers it is more or less a given. These factors constitute both opportunities and constraints in regard to learning, and managers must take them into account.

Knowledge Dissemination

Chapter 7 completes the presentation of the multi-facet model, looking at how organizations disseminate knowledge and lessons learned. It examines different kinds of knowledge, mechanisms for knowledge dissemination, and barriers to effective dissemination.

❖ APPLYING THE MULTI-FACET MODEL

In order to overcome mystification, the multi-facet model creates specific and observable links between concepts and organizational action

(Lipshitz et al., 2002). Therefore, Chapters 8 through 13 provide in-depth case studies in order to shed light on how the model can be applied to analyze, guide, and study organizational learning in action. These case studies show that the model can be applied to a wide variety of organizations in industry, high tech, the military, and education. Each chapter is intended to provide an additional perspective on how the model can be used.

Inside an Organizational Learning Mechanism: The Case of Postflight Reviews in the Israel Defense Force Air Force

Chapter 8 provides an in-depth analysis of “after-action reviews,” the most common form of organizational learning mechanism (OLM), using the example of postflight reviews in a combat squadron of the Israel Defense Force Air Force. Our objective in this chapter is to further demystify organizational learning by examining in detail the learning dynamics in after-action reviews: What goes on beneath the surface of the procedure-following activities? How do participants think and feel? How do they learn from the review process? How does the Israel Defense Force Air Force (IDFAF) actually learn?

Training Versus Organizational Learning

Chapter 9 builds on the OLM concept to take a critical look at the role of training in relationship to organizational learning. When individual organizational members acquire new knowledge or learn a new skill, it does not necessarily add up to *organizational* learning. We call the former “learning *in*” an organization and the latter “learning *by*” an organization. On the other hand, training programs can evolve into, or generate, very effective OLMs. In this chapter, we describe how OLMs, and organizational learning, evolved out of training programs at Johnsonville Foods, Motorola, Dell, and Bell Laboratories.

High-Quality Learning

An obvious cause of failures of learning is a low-quality learning process. Chapter 10 presents a general conceptualization of high-quality organizational learning based on the distinctive characteristics of successful and unsuccessful postaccident reviews in an elite combat unit of the Israel Defense Force. This chapter demonstrates the mere existence of OLMs is insufficient, in and of itself, to ensure productive learning. It shows how cultural norms, leadership, and other factors influence the probability that lessons learned from after-action reviews

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will not be forgotten, thereby lowering the likelihood that past errors will not be repeated.

**Demystifying the Learning Organization:
The Case of Hewlett-Packard**

As we pointed out before, demystifying the learning organization means stepping back from the false dichotomy between organizations that learn and those that do not. Hewlett-Packard is a company that is often seen as an exemplar of the learning organization. Organizational learning in such companies is often attributed to unique cultures that are both inspiring and difficult to imitate. In Chapter 11, we reanalyze two cases of organizational learning within HP: one that was discontinued and one that was sustained. We use the multi-facet model as analytical tool to show how key differences in the way learning was designed and managed can account for the different trajectories of these two projects. This chapter illustrates management's role in understanding and adapting to the contextual facet for ensuring the long-term viability of an organizational learning effort.

**Demystifying the Learning Organization:
The Case of Chaparral Steel**

Chaparral Steel represents another famous hard-to-imitate exemplar of the learning organization. In Chapter 12, we argue that managers *can* learn from Chaparral Steel's example, but they need a framework for systematic comparison that enables them to identify both similarities *and* the key differences between their organizations and Chaparral. The multi-facet model presented in this book offers such a framework. Our reanalysis of existing studies of Chaparral will show how Chaparral implemented a unique configuration of OLMs. It will also identify features of Chaparral's learning culture, managerial policies, and leadership that make these OLMs effective. Finally, it will show how the particular design of learning at Chaparral was shaped, at least in part, by a specific set of contextual conditions. Such an analysis provides managers with a template for comparing their organizations with Chaparral so as to understand which principles can be adopted and which cannot.

Putting the Multi-Facet Model Into Practice

Chapter 13 illustrates how the multi-facet model can help managers and consultants design and carry out a focused, systematic, and

productive process of organizational learning and knowledge dissemination. In this chapter, we illustrate the intervention process through in-depth case study of an organizational learning project carried out with the staff of the New Education Environment (NEE), a program aimed at helping secondary schools in Israel work more effectively with students at risk. Given the wide variety and complexity of organizations, learning processes need to be adapted to an organization's specific needs, characteristics, and circumstances. This chapter argues that there is no simple X-step formula that leads to organizational learning but that the multi-facet model does provide a useful framework for guiding this process of design. Each of the facets directs management attention to certain questions they must ask, certain factors they must take into account, and certain actions they need to take. This chapter shows how the multi-facet model can be used by managers and consultants to design and carry out focused, systematic, and productive process of knowledge creation and dissemination.

In Chapter 14, we conclude the book with a discussion of how the multi-facet model demystifies organizational learning and sets a future agenda for both researchers and practitioners.

❖ HOW TO READ THIS BOOK

This book is divided into three sections. The first section is this introductory chapter, which has provided a general but fairly comprehensive overview of what you are going to encounter in the rest of this book. It frames the problem of mystification that this book comes to address. The second section (Chapters 2–7) is a systematic in-depth presentation of the model, facet by facet. This section represents a “solution” to the problem, though not necessarily the only solution. The third section (Chapters 8–14) applies the model to analyze a wide variety of examples of organizational learning. It shows how the proposed solution can be used in actual practice.

The multi-facet model of organizational learning that we present is not intended to be a cookbook—more like the “Lonely Planet Guide to Organizational Learning.” The multi-facet model (see Figure 1.1) provides a map for helping you see the lay of the land and locate yourself within it. If you are a deductive traveler who likes to acquire in-depth knowledge of the territory and a highly structured itinerary before setting out, your best bet would be to read systematically through the facets of the model that are presented in Chapters 2 through 7. If you are a more inductive traveler who likes to venture out into the field and learn through concrete experience, you might want to begin with one

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of the applied chapters, Chapters 8 through 13. If you choose this route, you may encounter unfamiliar terminology and concepts that may lead you to refer back to the second section for explanation. For such readers, a good place to start is Chapter 8, which looks at postflight reviews, because it describes an important exemplar of an OLM and a turning point in *our* inquiry about organizational learning.

❖ TO SUM UP

We believe that organizations learn and that people can, through their actions, promote or inhibit these learning processes. We believe that productive organizational learning matters for both organizations and for the quality of working life. We have written this book for managers, practitioners, and researchers who have an interest in organizational learning and want a realistic approach for putting these ideas into practice within the complexities of organizational life. We do not claim to have found the *one best way* to produce organizational learning, but we do want to share an approach that has worked for us.

In writing this book, we have attempted to avoid the tendency toward mystification described in this chapter. We present a model that we believe is both sophisticated and easily grasped. We take a middle path in both content and tone—being neither overly inspirational nor skeptical, neither too academic nor too simplistic. We illustrate our concepts and arguments with concrete examples. In the process of developing and refining the model, we have continually tested it out with our students, colleagues, and clients, who tell us that it helps them—finally—see how these inspirational ideas can be brought down to earth.

The multi-facet model presented in this book suggests that being a learning organization is not a distant vision but rather occurs within the context of everyday activities. The prosaic nature of organizational learning does not mean that it is easy to achieve. Productive learning is complex and difficult. It often involves complexity, uncertainty, conflict, and threat. For this very reason, we hope that the following chapters will help demystify the field, providing firmer ground for practitioners and researchers who wish to engage the challenge of promoting productive organizational learning.