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Briefing Notes:
**Action Learning – Improving Organizational
Performance through Team Learning**

What is Action Learning?

When Lou Gerstner took the top job at IBM, he faced a big problem. Afflicted with a “not invented here” culture and a bloated bureaucracy, the company was dead-set against change. “Think,” the corporate motto, ironically seemed to express an aversion to taking action. But take action Gerstner did. He changed the culture by *doing*—by experimenting with new ways of doing business.

Like any manager in today’s hyper-competitive markets, Gerstner did not have the luxury of putting his business on hold while he redesigned it. He had to choose a direction, get moving, and bring others along with him. He adapted his plans as he was implementing them. His philosophy—act your way into new thinking—could be the slogan for organizations committed to action learning.

Action learning is a process for targeting strategically important parts of a business for improvement. It marries *analysis* and *action*, *reflection* and *doing*, *organizational change* and *bottom-line performance*. Numerous corporations, including GE, Bell Atlantic and Motorola, have used the process to successfully create their own learning organizations.

There are several key principles of successful action learning:

- **Executive Sponsorship is Crucial** – In order to have an effective learning process, an executive sponsor is needed to ensure that proper resources are given to the project, and to oversee the process and results.
- **Connect Action Learning to Strategy** – The thrust of the project—the problem to be solved—must be relevant to the strategy of the organization. Otherwise, the results of the project might not be seen as significant by the larger organization, and the project feels like an “exercise.”
- **The Learning is Continuous** – Learning happens throughout the process, not just at the end.

- ***The Future is Already Here*** – The action-learning team need not start from scratch. The solution to any problem probably already exists somewhere in the organization. Action learning uncovers and amplifies those solutions.
- ***The Potential Solution Should Have Impact*** – A challenge posed by action learning is the perception that it produces extra work. If the process is linked to a long-standing or critical problem, however, the process will be thought of as productive rather than just extra work.
- ***Get the Learning Noticed***—Exporting outcomes from the project into the wider organization is critical. A process is needed to capture and distribute learning throughout the organization.

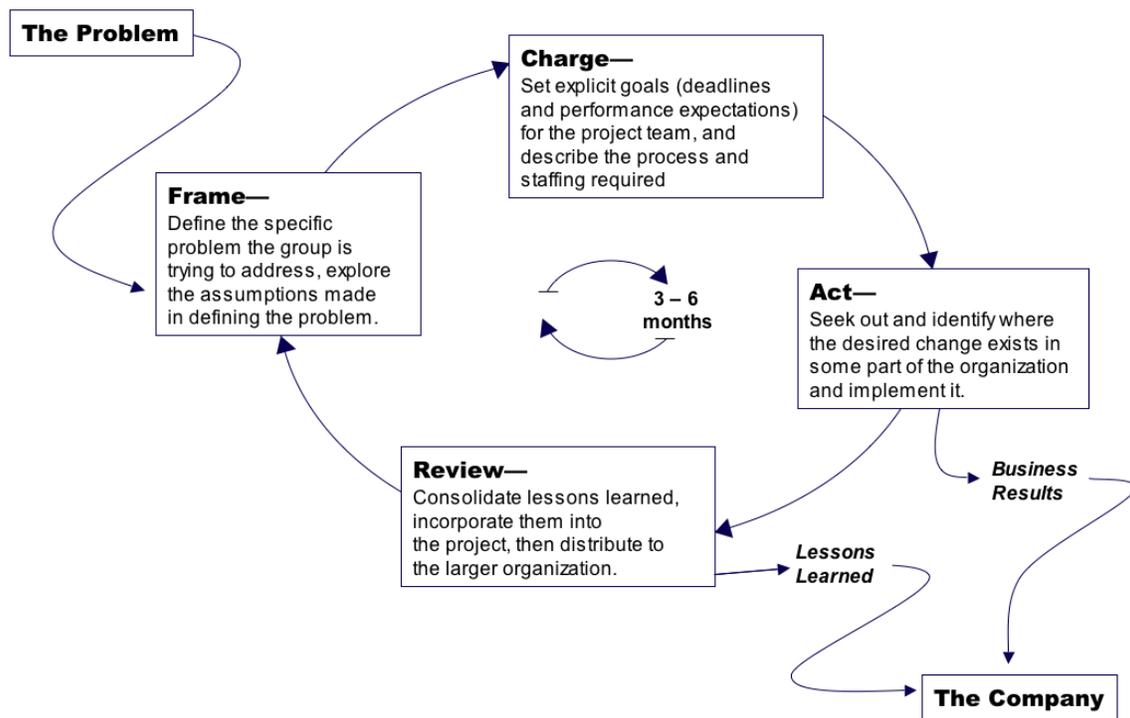
What is the Action-Learning Framework?

The framework has four phases. Remember, learning occurs in each one.

- 1. *Frame*** – Define the specific problem the group is trying to address, explore the assumptions made in defining the problem.
- 2. *Charge*** – Set explicit goals (deadlines and performance expectations) for the project team to accomplish, and describe the process and staffing required.
- 3. *Act*** – Seek out and identify where the desired change exists in some part of the organization and amplify it.
- 4. *Review*** – Consolidate lessons learned and incorporate them into the project as it unfolds. Distribute lessons learned to the larger organization in a meaningful way.

The process is iterative. The lessons learned by the project team should increase understanding of the issues and lead to a re-framing of the problem.

Figure 1 – The continuous action-learning process



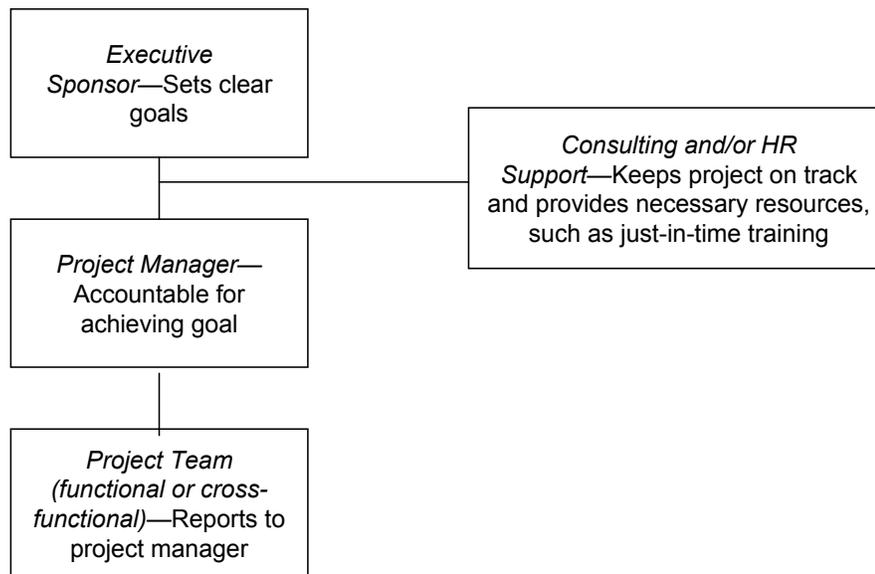
What Does an Action-Learning Project Look Like?¹

An action-learning project engages an executive sponsor, a project manager and the project team. It may also include a consultant and/or HR support. The project manager plays a crucial role in driving the project toward its goals since he or she is made accountable for the success of the project. Accordingly, the executive sponsor will want to select the project manager with particular care. An action learning project typically runs from three to six months, with a launch event to kick it off, and reflective session conclusion.

A team benefits from having individuals with a range of skills and from a variety of functions and levels. Such diversity will ensure the focus of the team is connected to the needs of people throughout the organization, not just one part of it. A diverse team will help disseminate lessons learned once the project is completed.

¹ The structure of the project and team may vary with a company's particular needs and setting.

Figure 2 – The players and their primary objective.



The Action Learning Framework – What Does the Team Do in Each Phase?

Phase I – Frame

“A problem well stated is a problem half-solved.” – Charles Kettering

How we frame a problem affects the range of solutions we can see. Take, for example, electronic medical records. For years the situation—increased risk of improper care due to inaccessible records—has been framed in such a way that the digitizing and centralization of records will solve the problems associated with paper records. Systems were accordingly designed to provide a central place for patient data. However, a recent American Medical Association research article (Wears & Berg, 2005) showed such systems actually increased the risk of improper medication at 22 different hospitals. The reason: the systems failed to take into account the ways in which doctors and nurses worked together to determine the care of patients. The way the problem was framed did not allow for this consideration, and the systems have so far been generally less-than-effective at increasing efficiency and safety in patient care.

There are tools for framing a problem that is strategically relevant, and developing a frame that allows for new understanding of the problem.

- *Issues Audit* – Answer key questions that help reveal the resonance and staying-power of the ideas being considered. For example, are people clamoring for a solution to the problem as it is framed?
- *Idealized Design* – This not just a “gap analysis” of where you are and where you would like to go, but a comparison of two possible futures—the future

that will happen without any intervention and the ideal future. Forming a plan to bring the ideal future closer involves thinking about the obstacles you will encounter as you move toward the ideal state, and thinking about the compromises you might consider to make your ideal state more approachable.

- *Problem Mapping* – First, state the problem in a way that highlights a difficult state of affairs rather than a preferred solution (e.g., “The problem is inability to meet customer demand” and not “The problem is I need a bigger budget for hiring”). Write the problem in the center of a large sheet of paper or whiteboard, and have the group first identify causes of the problem (write them to the left) and effects of the problem (write them to the right), connecting them to each other and to the problem in the center as appropriate. This produces a “map” of the problem that incorporates multiple perspectives, and can uncover areas where more information is needed or where difficult processes are deeply ingrained.

Phase II – Charge

In this phase, the leadership of the project “sets the bar” for the team. In some respects, this resembles a negotiation, with the leader pressing the team for results and team members often pushing back in order to set “stretch targets” that are also doable. The idea is to focus the team without closing up their thinking about possible solutions. Following the suggestions below will help make sure the group emerges from the goal-setting process with an energizing, clear charge.

Setting Goals

The project’s goals should be challenging yet attainable, as well as explicit and measurable. An executive sponsor needs to stand squarely behind these goals by holding a project manager accountable for their achievement.

The right goals motivate project teams to overcome routines that have impeded performance in the past. Three qualities make a goal “right”:

- The goal should be clear enough to enable project teams to give a precise description—in percentages, numbers or specific deliverables—of the results they are being asked to achieve.
- The goal should challenge project teams to outperform past efforts within an operational area.
- The goal should hold project teams accountable for reasonable rather than impossible expectations. Expectations that are too high are reduce motivation.

Additionally, by selecting a project that lends itself to periodic check-ins, an executive sponsor can more easily measure the progress and learning being made.

Kicking Off Phase III

Once the goals have been determined, the project leaders should begin to focus the team members on the project's deliverables. Phase III should begin with a meeting at which all participants are present and, if necessary, the action-learning methodology is explained. This ensures that everyone begins this important phase with shared assumptions and objectives.

Phase III – Act

During this phase, the team experiments with solutions in order to reach the goal(s) established in Phase II. In order to do this, team members will have to step-up their efforts in the short-term. Time may already be short for team members. If it makes sense, the executive sponsor can release team members from their normal duties during the project in order to create a “safe place” to pilot solutions. Lessons learned will save time in the long-term, even if the process requires what feels like extra time in the short-term.

Looking for solutions already at work in the organization—“found pilots”—can save the team valuable time developing new solutions. There is no need to start from scratch. Found pilots can be stepping-stones to radical innovation. Take, for example, the old computer network “DARPA.” This cumbersome network connected a few of the nation’s research scientists and was a found pilot for the Internet. It did not represent the ultimate solution—the Internet as we know it today—but it did represent a step in the right direction that gave the innovators the foothold they needed to develop the Internet.

Phase IV – Review

There are three leadership concerns in this phase. The first two occur at key points throughout the project. The third occurs as the project comes to a close.

1. Provide feedback and guidance to the team to help them deliver results that improve performance.
2. Making sure the lessons learned feed into a reframing of the problem/rethinking of the solutions inside the team. If possible, the team should continue learning and refining their knowledge and solutions.
3. Disseminating useful lessons learned to the organization in a way that gets attention and creates the desired change.

Inside the Team

While “Review” is the fourth phase of this process, it is going on inside the team during every phase. Team meetings can be organized to include space for the innovation of new solutions and approaches as well as discussion about how the recommended solutions are working. Team members should be allowed to respectfully question the process of the group and how it can be improved to the benefit of the project. A Harvard study (Edmonson et. al, 2001) found that teams who successfully implemented a new, demanding surgical process met regularly to debrief how the procedure went for the team and made adjustments to how they worked together along the way. Teams that did not successfully implement the process did not have such meetings, resulting in team members becoming frustrated and discouraged—they hated to see this new surgical process on their schedules. The army knows the power of this kind of learning first hand. They conduct “after action reviews” after every engagement to ensure that they continuously learn to adapt to an ever-changing environment.

Collecting Solutions Suitable for Distribution

As the project nears completion, the sponsor and project manager should collect lessons that participants have learned. The action-learning project should provide answers to a number of important questions about creating change in behavior that sticks in an organization, such as:

- *What new procedures lead to improved performance?*
 - ◆ For example, lacking needed authority, supervisors check too often with their superiors and needlessly slow down decision-making.
- *What kinds of support do employees need to perform up to their potential?*
 - ◆ For example, service agents need better training in cross-selling.
- *How is authority most effectively exercised by managers?*
 - ◆ For example, communication between managers and reports needs to be more explicit, or managers need to take up their roles differently (more like a coach, for example, than a foreman).
- *How can technology be used to improve customer service?*
 - ◆ For example, the information system needs to be reconfigured to allow field representatives more flexible access to customer data.

At the end of a project, executives and managers should not have to speculate whether it succeeded or failed in getting results. If the results are not obvious, then the project’s initial goals were too diffuse.

Distributing Learning Throughout the Organization

Perhaps the greatest measure of the success of an action-learning project is the quality of results and how well the results of the project are distributed and taken up by the rest of the organization. When the team is successful at meeting their goal and producing a solution, a campaign for creating change throughout the organization will increase the likelihood of organizational “take-up.”

Creating lessons learned is sometimes a task given to one member of the team who might sit down and fill out a form on the company’s lessons learned database. Capturing lessons learned that will be useful and affect change takes considerably more work. Nancy Dixon (2004) suggests that teams should meet together and have a “sensemaking meeting” where a no-holds-barred, face-to-face discussion between team members leads to the collection of many lessons learned. Once the experience of the team has been adequately mined, another meeting is held—a “translation meeting”—where the team works to produce lessons learned that other teams in the organization could easily learn. Ideally, lessons learned should be stated in a way that makes it easy for someone unfamiliar with the details of the project to learn from the experience of the group.

Distributing lessons learned in a way that the organization is able to most easily take them up also requires a concentrated effort—a campaign. The campaign approach to change involves first “listening in” to the organization—discovering how the organization is already acting in ways parallel to the desired change—which you should have achieved in your successful action-learning project. So, after the action-learning process has produced a worthy solution, a strategic theme is needed to get people’s attention and energize them. This theme should reflect the desired future not only of the team leaders, but of the people they are trying to bring on board in the rest of the organization. Sweeping people into the campaign is the next step. Leverage existing venues where there is energy around the change or existing projects or programs that are moving in the same direction you want to go. You may want to have team members use standing meetings in their own departments or groups in order to find willing allies. Finally, create the infrastructure to make the campaign effort successful. The energy of people swept in is not enough—developing communication plans, life-cycle strategies, and possibly new revenue models is required to focus the energy of the group.

If the campaign is successful, the change will pick up momentum and flow into the mainstream of ideas and routines in the organization.

Dealing Productively with Failure

Certainly projects may “fail”—they may produce low performance or low learning. Yet even when a project’s outcomes are initially disappointing, executives and top teams benefit from assessing the possible reasons behind unmet expectations. By the same token, an acknowledged “success” needs to be analyzed carefully so that

daily operations and other projects benefit from its best practices. Looking back, sponsors should consider:

- *Goal-setting* – Was it too ambitious or not ambitious enough? Were the goals unclear or not measurable?
- *Staffing* – Was the project manager up to the task? Were the needed skills represented on the team?
- *Executive Leadership* – Did the top executives clearly communicate a strategic vision to the teams and commit themselves to holding them accountable for results?

In a retreat or extended top-team meeting these questions have a tremendous diagnostic value. Moreover, as suggested above, entertaining them in the planning phase is a way of troubleshooting design problems even *before* a project begins.

Summary

Action learning can help an organization test and refine solutions before spending time and money rolling out an untested large-scale change initiative. By creating the space to explore the framing of a problem and by setting up team goals in a way that makes it possible to measure success, team leaders also create a fertile space where new solutions to old, important problems can be tested. However, an action-learning project alone cannot create organization-wide change. Throughout the project team leaders must focus on making their new ideas and findings available to the rest of the organization by keeping the actions of the team linked to the strategy of the organization and the critical problems facing people throughout the organization. Even if the team is successful in keeping linked to the strategy and critical issues, an organized effort—a campaign—is needed to change the way people in the organization act.

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