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Briefing Notes:
Essential Elements of a Learning Organization

Introduction

The literature on the learning organization contains a significant gap. Writers and practitioners assert its importance but provide little specific detail on how to create one. Many highlight appropriately its cultural and psychological features—for example, people should neither be embarrassed nor punished for discussing their failures—but provide little guidance on how to construct such a culture.

To build a learning organization, executives and managers must institutionalize a specific set of practices. For example, the military developed the practice of "debriefing" an operation so that everyone could learn from its successes as well as its failures. In turn, as military officers became experts at debriefing operations, they built up a methodology and culture that supported this activity. Even if an officer were uncomfortable with the review of an operation he led, he had to learn how to contain his discomfort to proceed with the process. The change in both the practice, debriefing and the cultural climate, "I can tolerate a debriefing of my errors," established the foundation for organizational learning. Building a learning organization requires very pragmatic questions: What is a requisite variety of practices we need? What systems—information, technological or social—are needed to support these practices?

Studies of skilled performance are helpful. A skilled or expert actor, welder, teacher or consultant performs well because he or she engages in the process of "preview and review." Before the performance the expert carefully assesses the situation he or she is about to enter, noticing features that appear familiar and unfamiliar. Using this "inventory" of features the expert anticipates likely problems he or she will face and then develops possible solutions. This is the process of *preview*. After the performance is over the expert reviews what he or she has accomplished, learning both from "hits," "misses" and particularly "near misses." This is the process of *review*. By contrast, novices fail to plan ahead and, upon completing what to them is a difficult task, are eager to forget what they just endured.

The learning organization institutionalizes this habit of preview and review. To build such an organization a set of systems and practices that support these processes must be built. Below is a list of some of the systems/practices. This list is not exhaustive but touches on certain important elements.

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Review and Preview

Systems of Preview

1. *A simulation system.* Decision makers at all levels master a methodology for anticipating and assessing the likely consequences of a decision, action or initiative. This methodology includes guidelines for using roleplays, writing scenarios and creating a logical sequence of possible causes and consequences. Histories of the future, in which one travels to some future date and invents a plausible narrative of how the system has evolved, can be a powerful process tool in this area.
2. *The prototyping system.* Organizations learn most effectively when they are able to mount prototypes of proposed new programs or procedures. To mount prototypes effectively, decision makers should learn the basic technology of social experimentation: How does one choose a setting or unit where the prototype is tested? What data does one collect to evaluate the prototype? When are control groups useful, and how should one use them? What process and outcome data should the prototyping group collect? What inferences can be made from a prototype system about the likely success or failure of its institutionalization?
3. *The listening post.* To periodically but regularly take the pulse of the unit, division or organization, and anticipate emerging issues and problems, the decision maker selects employees at random to come to a half-day meeting. At this meeting each employee is asked to think of him/herself as listening posts within the organization's culture. Trusted clients or customers are invited. Participants talk about what they are seeing and experiencing, but under no circumstance are asked to develop solutions.

Systems of Review

1. *A decision-audit system.* Decision makers at all levels master a methodology for auditing the impacts of important decisions on organizational performance. A "decision audit policy" helps decision makers learn when to launch an audit. For example, the policy might state that a decision should be audited, "if it puts $10,000 or more at risk."
2. *A best-practice system.* Managers and decisions makers at all levels master a methodology for regularly recording an action or decision they made that they believe was very effective. They record the action on a template designed so that other people can understand the decision and its good consequences. The records of these decisions are kept in a best practices database, which everyone can access in anticipation of decisions they might face.
3. *The voice of the customer.* To keep track of its functioning and detect errors or trends, an organization needs to monitor its ongoing interactions with clients. This database would include such events as client requests, client engagements, feedback from clients, requests that lead to service versus those that do not, "self-service" activities by the clients themselves and organization-

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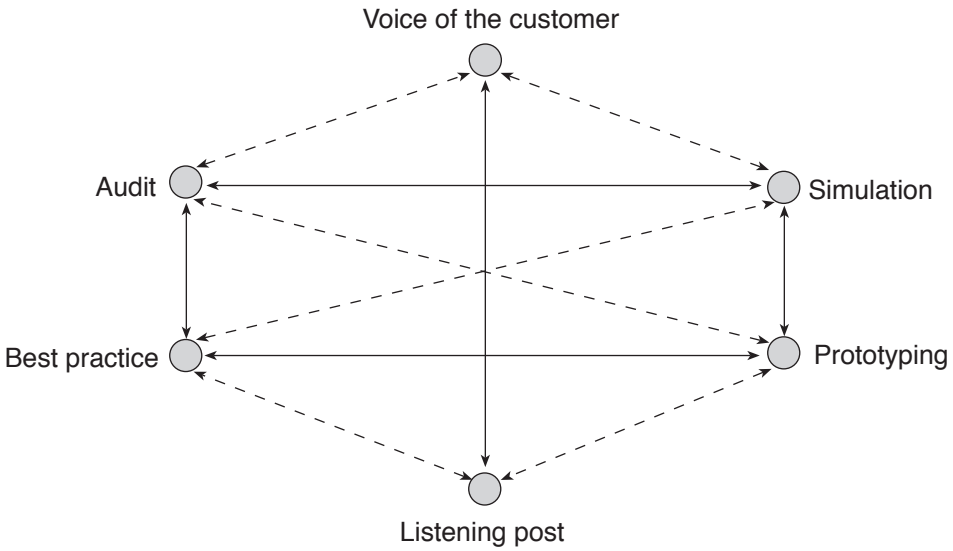
initiated (as opposed to client-initiated) activity. This data provides an empirical basis for assessing if and how the organization is linked effectively to the client's ongoing activities and decisions.

The following diagram shows the practices and their linkages that help create and sustain the learning organization. Some review practices directly affect preview practices—for example, audits of past decisions help create simulations of future ones, and best practices enable the design of the best prototypes. As the dotted line indicates, however, each practice ultimately informs the others.



Culture

A culture that promotes organizational learning possesses at least four critical features:

1. The ability to see the world as it is, without denial or distortions of unpleasant or threatening features
2. The willingness to risk speaking the truth to powerful people
3. The ability to tolerate feelings of being ignorant, in the dark and "one down" in the service of one's learning
4. The capacity to feel accountable for a decision that has gone awry without feeling excessively shamed

These abilities may at first appear too scarce or unevenly distributed across people to imagine that they could be combined to create a learning organization. However, these psychological dispositions can be developed if they are nourished by a bedrock of concrete practices and systems.

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