Here's how some brand-recognizable companies are using action learning to solve corporate problems and develop leaders.

Harnessing the Power of

Action

Learning

From Boston to Brazil, Finland to Tokyo, companies as diverse as Samsung, Dow, GE, Deutsche Bank, and Boeing share one powerful workplace learning tool: action learning. They have created thousands of new products and services, improved service quality, cut costs and delivery times, and made fundamental changes to their organizations' cultures by unleashing the power of action learning. Action learning has rapidly emerged as the primary tool used by organizations such as Sodexho, Novartis, and Nokia for solving their critical and complex problems, while concurrently serving as the key methodology

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for developing leaders, building teams, and expanding corporate capabilities.

William Welden, worldwide chairman, pharmaceutical group, proclaims that "action learning has significantly enhanced Johnson & Johnson's leadership development and has improved our business by developing new and exciting business opportunities." Robert Krammer, director of American University's executive program for senior government leaders, declares that "action learning has become the centerpiece and an integral part of all of our public management programs because of its extraordinary capacity to enhance how people manage and lead public service organizations."

Gerard van Schalk, chairman of the executive board at Heineken, notes that "action learning has become the primary vehicle for generating creative ideas and building business success at Heineken." Larry Wilson, VP, human resources, Dow Chemical, states that action learning is indeed "the best way to align and motivate our organization to create and leverage knowledge for competitive advantage." And Enju Park of LG Electronics, one of Korea's largest corporations, writes that "action learning has been the key impetus in improving business performance, as well as developing problem-solving and global skills for our leaders."

For those and the thousands of other organizations that have begun to use action learning within the past five years, the great attraction of action learning is its unique and amazing power to simultaneously solve difficult challenges and develop people and organizations at minimal cost. This ability and power to intelligently and creatively act and learn at the same time has become essential in a workplace that's rapidly changing and that faces evermore unpredictable global challenges.

What is action learning?

Since Reg Revans first introduced action learning in the coal mines of Wales and England in the 1940s, there have been multiple variations of the concept, but all forms of action learning share the elements of real people resolving and taking action on real problems in real time and learning while doing so. The power and benefits of action learning are optimized when it integrates the following components.

A problem (project, challenge, opportunity, issue, task). Action learning centers around a problem, a project, a challenge, an issue, or a task—the resolution of which is of high importance to an indi-

vidual, a team, or the organization. The problem should be significant, urgent, and be the responsibility of the team to solve. It should also provide an opportunity for the group to generate learning opportunities, build knowledge, and develop individual, team, and organizational skills. Groups may focus on a single problem of the organization or multiple problems introduced by individual group members.

An action learning group or team. The core entity in action learning is the action learning group that is ideally composed of four to eight people with diverse backgrounds and experiences. Those differences will enable the group to see the problem or task from a variety of perspectives, and thus be able to offer fresh and innovative viewpoints. Depending on the action learning problem, groups may be volunteers or be appointed, may be from various functions or departments, may include individuals from other organizations or professions, and may involve suppliers as well as customers.

A process that emphasizes insightful questioning and reflective listening. Action learning emphasizes questions and reflection above statements and opinions. By focusing on the right questions rather than the right answers, action learning focuses on what one doesn't know, as well as on what one does know. Action learning tackles problems through a process of first asking questions to clarify the exact nature of the problem, reflecting and identifying possible solutions, and moving only toward consideration of strategies and possible action. Questions prevent the group from solving the wrong problem and precipitously jumping into wrong action. In addition, the reflective inquiry process of action learning builds group cohesiveness, promotes systems thinking, introduces innovative strategies, and generates individual and team learning.

Taking action on the problem. Members of the action learning group must have the power to take action themselves or be assured that their recommendations will be implemented. If the group only makes recommendations, it loses its energy, creativity, and commitment. Likewise, there's no real meaningful or practical learning until action is taken and reflected upon; one is never sure an idea or a plan will be effective until it has been implemented. Reflecting on the action taken provides the best source for learning and organizational change.

A commitment to learning. Solving an organizational problem provides immediate, short-term bene-

fits to the company. The greater, longer-term, multiplier benefit, however, occurs when the learning gained by each group member, as well as the group as a whole, is applied strategically throughout the organization. Accordingly, action learning places equal emphasis on the learning and development of individuals and the team as it does on the solving of problems; the smarter the group becomes, the quicker and better the quality of its decision making and action taking will be.

An action learning coach. While other members of the group focus on solving the problem, one member, the action learning coach, devotes all of his or her efforts toward helping the group learn. This person identifies opportunities that enable the group to improve its problem-solving and strategy-creation capacity. Experience shows that unless there's a person dedicated to the learning, a group will tend to put all of its time and energies on what they consider to be urgent (the problem) and will neglect what's more important in the long-run, (the learning).

Through a series of questions, the coach enables group members to reflect on how they listen, how they may better frame the problem, how they give each other feedback, how they're planning and working, and what assumptions may be shaping their beliefs and actions. The coaching role may be rotated among members of the group or may be a person assigned to that role throughout the duration of the group's existence.

How it works

Action learning groups may meet for one time or several times, depending on the complexity of the problem and the time available for its resolution. The action learning session may take place for one entire day, for a few hours over a few days, or over several months. A group may handle one or many problems. Whatever the timeframe, action learning generally operates along these stages and procedures.

Formation of group. The group can be volunteers or appointed, and can work on a single organizational problem or each other's department's problems. The group will have a predetermined amount of time and sessions, or it may determine the time parameters at the first meeting.

Presentation of problem or task to group. The problem is briefly presented to the group by the problem presenter, who can remain as a member of the group or withdraw and await the group's recommendations.

Action Learning at GE

General Electric has utilized action learning perhaps longer than any other American company. In addition to solving problems that have increased sales and decreased costs by billions of dollars, action learning has enabled GE people to learn and apply new skills while working on real tasks of the company—skills in such areas as teambuilding, problem solving, change management, conflict resolution, communications, coaching, and facilitation. During the past 10 years, GE has achieved the following results through its action learning groups:

- boundaryless behavior, in which employees work more easily across borders and business units
- greater speed in decision making and implementation
- accountability occurring at more appropriate levels with less controlling leadership
- involvement of employees, resulting in improved morale
- a management willing to take more risks
- reduction of analysis-paralysis
- more open dialogue and increased trust among staff
- reduced impact of the burdens of hierarchy.

In order to optimize the success of action learning at GE, the following criteria have been established:

- Each action learning project needs to have consistent high-level champions.
- Each action learning group should have a real business problem or opportunity that's well defined and scoped.
- Quality planning time is critical to final outcome and success of each action learning group.
- There must be a strong commitment for action learning from GE leaders and action learning members.
- Follow-up is critical throughout the action learning project.
- It is important to keep employees involved in implementation, and there needs to be an established process with checkpoints.
- Leaders must ensure that employees have the support needed to implement the action plans.
- Participants must ensure there's no overlap or duplication with other ongoing work in the organization.
- Sponsors must respond positively to the recommendations made by the action learning group unless it's illegal, unethical, or out of bounds, in which case the sponsors should modify the recommendations.
- There should be clear boundaries on what's open to change and what's not (financial, headcount, technology enhancements, customers).
- Top management should have a clear understanding and orientation on how action learning works.

Reframing the problem. After a series of questions, the group, often with the guidance of the action learning coach, will reach a consensus on the most critical and important problem the group should work on, and the group should establish the crux of the problem, which might differ from the original presenting problem.

Determining goals. Once the key problem or issue has been identified, the group seeks consensus for the goal, the achievement of which would solve the reframed problem for the long-term with positive rather than negative consequences on the individual, team, or organization.

Developing action strategies. Much of the time and energy of the group will be spent identifying and pilot-testing possible action strategies. Like the preceding stages of action learning, strategies are developed via reflective inquiry and dialogue.

Taking action. Between action learning sessions, the group as a whole, as well as individual members, collect information, identify status of support, and implement the strategies developed and agreed to by the group.

Capturing learning. Throughout and at any point during the sessions, the action learning coach may intervene to ask the group members questions that will enable them to clarify the problem, find ways to improve their performance as a group, and identify how their learning can be applied to develop themselves, the team, and the organization.

Major benefits

Action learning has the amazing capacity to simultaneously and effectively enable organizations to 1) solve complex, urgent problems, 2) develop skilled leaders, 3) quickly build high-performing teams, and 4) transform corporate culture and create learning organizations.

Solving problems. Action learning begins and builds around solving problems; the more complex and more urgent the problem, the better-suited is the action learning methodology. The dynamic interactive process used in action learning helps the group see problems in new ways and gain fresh perspectives on how to resolve them. The action learning

process enables the group to look for underlying causes and leveraged actions rather than symptoms and short-term solutions. Action learning examines both macro and micro views in order to discover when and how to best implement the proposed actions. As a result of its fresh approach to problem solving, action learning typically generates breakthrough insights, solutions, and effective strategies.

The selection of problems is important. **Boeing'**s Global Leadership Action Learning Program is careful to choose real business issues and problems, the resolution of which are critical to Boeing and require some action to be taken. Problems chosen must also provide opportunities for the selected managers to develop an array of leadership competencies.

Over the past two years, the principals and assistant principals of **Fairfax County Public Schools,** Virginia, have worked in action learning teams and effectively explored and developed strategies for numerous challenges. Examples of the problems tackled and resolved are

- how to deal with angry, demanding parents
- how to implement standards of learning throughout the school system
- how to handle and supervise ineffective teachers
- what aspects of leadership should be the core of the FCPS Leadership Institute
- how to keep a balance between personal and professional lives
- how to deal with continuous "gotta minute?" requests and yet stay on top of key management responsibilities
- how to make disciplinary decisions, especially when a "good" kid might benefit from alternative consequences as opposed to those imposed by standard school policies.

Working in action learning teams was seen as a key to solving problems between **National Semicon-**

Action learning begins solving problems; the more problem, the better-suited is the

ductor and **AT&T.** When senior management at the National Semiconductor plant in South Portland, Maine, saw that delivery performance was holding the company back from providing quality service at AT&T, it created an action learning team with members from both organizations. Meeting two days a month for three months, the team eventually came up with a list of some 40 ideas that resulted in these key action initiatives:

- analyzing in new ways the delivery misses
- increasing frequencies of lead-time updates
- creating critical device lists
- developing "Pre-Alert" reports.

Before the action learning team began its work, AT&T was ready to replace National Semiconductor as a supplier. Within a year following the implementation of these initiatives developed by the joint action learning team, AT&T awarded National Semiconductor as one of its "world-class" suppliers.

Leadership development. Most leadership development programs, whether corporate or academic, are ineffective and expensive. Teachers rather than practitioners are the source of knowledge. Because the business environment is changing so fast, the knowledge gained in a classroom is out of date and little, if any, of the knowledge ever gets transferred to the workplace. In addition, executive development programs provide little of the social and interpersonal aspects of real-life organizations and tend to focus on tactical rather than strategic leadership.

Action learning differs from typical leadership training in that its "primary objective" is to ask appropriate questions in conditions of risk, rather than to find answers that have already been precisely defined by others. Action learning doesn't isolate any dimension from the context in which managers work; rather, it develops the whole leader for the whole organization. What leaders learn and how they learn can't be dissociated from each other; *how* one learns necessarily influences *what* one learns.

Novartis, a world leader in health care with core businesses in pharmaceuticals, consumer health, generics, eye care, and animal health, recently formed action learning groups with six noncompetitive organizations to work on issues such as marketing and strategies that cut across all of their companies. A key purpose of the action learning groups is to develop leadership skills and global mindsets, improve emotional intelligence capabilities, and strengthen business acumen.

At **Boeing,** the action learning program is targeted to develop executive skills within these categories of global competencies:

- most critical competencies (adapting, thinking globally, building relationships, inspiring trust, leading courageously, aligning the organization, influencing, negotiating)
- very important competencies (shaping strategy, fostering open and effective communication, attracting and developing talent, driving for stakeholder success, demonstrating vision, using sound judgment)
- important competencies (driving execution, inspiring and empowering, working cross-functionally, focusing on quality and continuous improvement, applying financial acumen).

Building teams. Teams formed via the action learning process quickly become both high-performing and strongly bonded. Their effectiveness improves every time they meet due to the learning built via the interventions of the action learning coach. A unique ability to think and learn as a team steadily emerges as the group develops clearness, deep communications, and committed collaboration around strategies for which they're accountable.

According to Peter Pribilla, corporate human resources at **Siemens,** "building teams has become a key goal and achievement of action learning at Siemens. Action learning has helped the company maximize the entrepreneurial spirit and enhance team player qualities, such as cooperation and free exchange of ideas. The quality of teams has resulted in more innovative ways to find new solutions for customer requirements."

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complex and more urgent the action learning methodology.

Companies around the world—**Constellation Energy, Caterpillar,** and **Sony**—have also moved toward action learning as the approach for building teams to handle Six Sigma projects, determine strategic directions, and develop corporate policies.

Corporate learning culture. Learning organizations are built various ways via increased learning skills and capacities, a transformed organizational culture and structure, an involvement of the entire business chain in the learning process, and enhanced capability to manage knowledge. Action learning groups ideally model what a learning organization is and how it should operate. Members seek to learn continuously. As individuals and as a group, they enhance their ability to adapt quickly to external and internal environmental changes. Learning and knowledge are continuously captured and transferred to other parts of the organization. As the action learning members resume their day-to-day activities, their new mindsets and skills gradually impact the entire organization, resulting in a culture more likely to continuously learn, reward learning, and connect learning to all business activities.

In the late 1990s, **Deutsche Bank** faced tremendous changes in its business and staff structure, with critical implications for corporate culture. Organizational change was critical, and the following steps were deemed to be necessary:

● reconfiguration along divisional product lines
● a shift from a regional to a global operational structure
● a shift from a multinational to a global leadership structure
● acquisition of several U.S. entities and their leadership models
● change in corporate language from German to English.

Changing the corporate culture and developing leadership to handle those challenges was critical. Deutsche Bank recognized, however, that its existing development courses were focused on individual, not organizational, development. Consequently, little knowledge was transferred to the workplace, nor was the application of new skills to business challenges. In addition, the cost of off-the-job training and development was high and climbing. In searching for a tool that would develop leaders while simultaneously resolving those challenges, Deutsche chose action learning because of its just-in-time learning and self-managed learning efficiency.

Key business challenges were identified, and a six-month action learning program was begun. The CEO, program director, or program manager selected the problems best suited for Deutsche Bank and the action learning participants. Four criteria needed to be met:

1. The problem had to be of strategic importance to the bank.
2. It had to be a potential source of significant organizational change.
3. It had to be strategic—not tactical—in nature to "stretch" participants.
4. It had to be broad in scope, offering rich learning opportunities.

Twenty participants were selected. Following a two-day introduction to action learning, the four groups met over a period of six to eight weeks on a part-time basis working on their problem. The final two days of the program included presenting the actions taken and capturing the learning that could be applied throughout Deutsche Bank. The program was considered a great success—not only because it attained innovative and cost-effective actions for each of the company's problems, but also because it led to a transformation of the bank's corporate culture.

Why it's so powerful

What accounts for this marvelous power and value of action learning? Action learning works not because of luck, but because it inherently interweaves a wide array of organizational, psychological, sociological, and educational theories and principles—as well as key elements of ethics, political science, engineering, and systems thinking. Each of the components reinforce and leverage the power of action learning. The simplicity and immediate applicability of action learning have enabled organizations around the world to achieve success in problem solving, teambuilding, organizational learning, and leadership development. **TD**

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