

## Creating a Learning Organisation

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Leaders are a vital part of any organisation because they influence how the organisation acts and responds. It can be said that leaders “manage the direction of the evolution of the culture” (Schein, 2017, p. 125). This means it is within the gift of the leader to manage and develop the systems that help people learn within an organisation. But developing a learning organisation goes beyond leaders just ensuring that people are booked on training courses. There are several actions a leader can take to positively influence the effectiveness of a learning organisation. When an organisation learns from past process safety incidents it can take proactive steps to prevent the incidents repeating. This paper reviewed a range of literature on learning organisations and developed some ideas for leader’s actions to enhance the creation of a learning organisation. This paper is based on a research project undertaken by the author as a Master of Leadership project.

### 1. Introduction

Leaders hold a specific and valuable place within an organisation. They are tasked with delivering results on behalf of the organisation, however leading is often confused with managing. For this reason it is important to define the difference between leading and managing. “Leadership is a process whereby an individual influences a group of individuals to achieve a common goal” (Northouse, 2018, p. 5). Whereas “Management can be defined as the process of administering and controlling the affairs of the organization” (Business Jargon, 2021). There are some similarities in this, both are about working toward a common goal, the focus on the affairs of the organisation. This paper focuses on the role leaders play in creating a learning organisation. It will not address the role managers play specifically, though some of this is peripheral to the role of leaders. When it comes to process safety incidents, there is no lack of quality lessons learned material. From the various international databases to organisations such as the United States Chemical Safety and Hazard Investigation Bureau. This then raises the question, if there is so much material, why don’t organisations appear to learn from it?

### 2. Threats to achieving a learning organisation

It has been identified that one aspect of failure to learn is due to “threats to failure to learn” (Stemn, Bofinger, Cliff, & Hassall, 2018, p. 316). These threats are defined by Stemn et al (2018) as follows:

- Under reporting of detected incidents
- Lack of focus on smaller precursor incidents
- Inadequate incident descriptions
- Inadequate incident investigations
- Poor selection and implementation of corrective actions
- Lack of effective learning from incidents system
- Culture of blame, lack of trust

These threats are within the influence of a leader to impact and improve, because they relate to either a lack of resources (time and/or personnel), a culture of fear or a lack of focus from the leader on rectification. Table 1 describes the threats and possible causes.

*Table 1. Threats to failure to learn adapted from Stemm et al (2018)*

<b>Threats to failure to learn</b>	<b>Possible causes</b>
Under reporting of detected incidents	Fear of retribution or punishment if reported
Lack of focus on smaller precursor incidents	Not enough time to report, fear of additional work
Inadequate incident descriptions	Not enough time to report accurately
Inadequate incident investigations	Not enough time to perform investigations adequately
Poor selection an implementation of corrective actions	Not enough focus on fixing issues
Lack of effective Learning From Incidents system	Not enough resource allocation on implementing systems
Culture of blame, lack of trust	Poor leadership and culture

Based on the above, it can be assumed that leader actions can assist in improving the application of learning from incidents. To understand what these leadership actions could be, it is necessary to understand the different models of a learning organisation. This paper explores four models. While they are all different, an alignment was found between them. The models include The Fifth Discipline (Senge, 1990), 4I (Crossan, Lane, & White, 1999), Elements of building blocks (Garvin, Edmondson, & Gino, 2008) and the 70-20-10 model (Lombardo & Eichinger, 2006). The alignment will be discussed in this paper, describing ways to implement the actions and achieve better learning.

There are many other possible reasons that lessons may not be learnt in an organisation. One may be that learning from incidents may be inhibited by hindsight bias. Hindsight bias is about failing to learn because the “outcome knowledge which gives us the feeling that we understand what the past was all about may prevent us from learning anything from it” (Fischhoff, 1975, p. 298). “In simplified terms this means that once we know the outcome of an event, we can see exactly what went wrong in leading to the outcome. We see this information with the benefit of knowing the outcome, and therefore we do not see the events unfold in the context under which they occurred. This clouds our judgement with information that was not known to the people in the event” (Kerin, 2018, p. 17). New tools have been created to assist with this challenge by the IChemE Safety Centre, but like any tool, a desire to use it is necessary for it to make a difference. A leader action here could be making time and resources available to experience this type of activity.

### **3. Different models for developing a learning organisation**

There is more to building competency than simply undergoing training. To develop competency there is a need to first build knowledge. To build knowledge it is necessary to move through the “the process whereby knowledge is created through the transformation of experience” (Kolb, 1984, p. 38). This means that to enhance the learning within an organisation, there needs to be a means to transform the knowledge into learning. This is why when considering workplace training, there is usually both a written and a practical component, to help transform the knowledge to experience.

The process of organisational learning first appeared in 1978 (Argyris & Schön, 1978), though rose in popularity as a concept in 1990 through Peter Senge’s *The Fifth Discipline: The Art and Practice of the Learning Organization* (Senge, 1990). This book covers five disciplines that he believes are necessary. Further work was done in 1999 that defined the 4I framework of organisational leadership (Crossan, Lane, & White, 1999). The understanding was further advanced in 2008 with the recognition of “building blocks of a learning organization” (Garvin, Edmondson, & Gino, 2008, p. 110). The Center for Creative Leadership postulated that there are three components to learning, being; learning from courses, learning from other people and learning from on the job experiences and challenges. They further stated that these were in the following percentages: 10%, 20% and 70% (Lombardo & Eichinger, 2006, p. 4). While there does not appear to be research to establish these percentages, there is some alignment with the authors work experience. This idea also incorporates the transformation of experience concept (Kolb, 1984).

#### **3.1 How leadership impacts the learning organisation**

As outlined previously, there are a number of theories that explore how organisations learn and include elements of how leaders’ impact that learning process. For example, it is clear that transformational leadership offers a set of actions that may assist in building the learning environment. This includes aspects like providing inspiration, intellectual stimulation and challenging individuals to achieve more (García-Morales, Jiménez-

Barrionuevo, & Gutiérrez-Gutiérrez, 2012). Leaders also have a role in ensuring the organisation has context for learning, is resourced and people are supported to develop their understanding (Berson, Nemanich, Waldman, Galvin, & Keller, 2006). A key element to building a supportive environment to team members is the existence of psychological safety, which appears in the elements of building blocks. Psychological safety has been defined as “a shared belief held by members of a team that the team is safe for interpersonal risk taking” (Edmondson, 1999, p. 350). This provides an environment where team members can raise concerns or suggestions without fear of negative consequences.

Accepting that leadership is a process (Northouse, 2018, p. 5), it should be possible to identify the leadership process steps in each of the 4 models and then seek to understand their prevalence in the workplace.

### **3.2 Fifth Discipline (Senge, 1990)**

This theory covers 5 elements as describe below.

Systems thinking – it is important for leaders to understand the connectedness and help their teams see the patterns.

Personal mastery – if leaders do not commit to achieving their best and putting the effort in, neither will their teams.

Mental models – when a leader understands their mental models they are able to share them with others, but also to understand their own biases, which may be inhibiting development of the team.

Building shared vision – a shared vision with the leader delivers commitment and engagement, moving beyond mere compliance.

Team learning – if a leader ensures that all team members are part of the learning process, not only does each individual grow, but the team as a whole grows.

### **3.3 4I (Crossan, Lane, & White, 1999)**

This theory covers four elements, that range from internal focus to external focus. They are;

Intuiting – a leader should provide the time and space for each team member to have experiences and be able to start to recognise the patterns present – this is an internal focus;

Interpreting – a leader should engage with the team and have conversations about the learning- this is a join focus;

Integrating – a leader should develop shared understanding and agree how the learning can be incorporated – this is a join focus; and

Institutionalizing – a leader needs to ensure the team have time and space to embed the learning within the knowledge management system – this is an external process to embed the learning that has occurred.

### **3.4 Elements of building blocks (Garvin, Edmondson, & Gino, 2008)**

This theory has nine elements that are needed to create the learning organisation as stated below.

Psychological safety – a leader provides a safe environment for the team to speak up or make a mistake without fear.

Appreciate of differences – a leader welcomes differences of opinion to help build better solutions.

Openness to new ideas – a leader is open to new ideas, even when they did not think of them.

Time for reflection – a leader provides the team time to reflect on learnings to help transform the experience.

Experimentation – a leader encourages new ways of working.

Information collection – a leader values information and encourages collection of it.

Analysis – a leader encourages analysis of data and provides the resources to do so.

Education and training – a leader values training and prioritises it, ensuring refresher programs also take place.

Information transfer – a leader encourages the sharing of information among the team.

### **3.5 70-20-10 model (Lombardo & Eichinger, 2006)**

This theory has three phases of the learning process as defined below.

Learning from on the job experiences and challenges – a leader should provide opportunity for team members to gain experience in a safe environment. This is said to be 70% of the learning process.

Learning through other people – a leader should facilitate mentoring and coaching within the team. This is said to be 20% of the learning process.

Learning from courses – a leader should provide the resources for the team members to build knowledge. This is said to be the 10% and foundation of the learning process, as it provides the background knowledge.

### 3.6 Comparing the four models

Comparing each of these 4 elements and looking for commonality in leadership traits is done in Table 2.

*Table 2: Comparison and alignment between different learning organisation models*

Senge's Fifth Discipline	4I Elements	Elements of building blocks	70/20/10 Model
		Psychological safety	Learning from other people, Learning from on the job experiences and challenges
Systems thinking	Interpreting	Appreciation of differences	Learning from other people
Systems thinking	Interpreting	Openness to new ideas	Learning from other people
Systems thinking	Interpreting	Time for reflection	Learning from other people
Personal mastery	Intuiting	Information collection	Learning from courses
Systems thinking	Interpreting	Analysis	Learning from other people
Mental models	Intuiting	Experimentation	
Shared vision, Team learning	Institutionalizing	Information transfer	Learning from on the job experiences and challenges
Shared vision, Team learning	Integrating	Active listening and questioning	Learning from courses
Shared vision, Team learning	Integrating	Invite input	Learning from courses
Shared vision, Team learning	Institutionalizing	Provide resources	Learning from on the job experiences and challenges
Systems thinking	Interpreting	Ask probing questions	Learning from other people

This comparison allowed for the identification of some key leadership actions that are needed to build a learning organisation. These are summarised below:

- Ensure psychological safety exists within the team
- Understand and value the difference and diversity within the team
- Be open to suggestions for new ideas
- Ensure time is available for the team members to reflect on the learning – to transform the experience
- Provide resources for the collection, review and dissemination of information
- Be willing to try new ideas and experiment where safe to do so
- Work with others to find better solutions
- Listen to other people's point of view
- Support the team members to achieve their goals
- Provide resources for the team to do their tasks – time and money
- Challenge the team and status quo

These traits can be categorised into five themes, as defined below;

- Encourage – how leaders encourage and support their teams;
- Challenge – how leaders challenge their teams to achieve better results;
- Resource – how leaders allocate adequate resource to support learning activities;

- Experiment – how much leeway leaders give their teams to experiment when searching for an answer; and
- Listen – how effective the leader is at listening to others.

Table 3 shows the themes with examples of specific actions that can be undertaken by leaders to support the building of a learning organisation.

*Table 3. Leader themes and actions.*

Theme	Actions		
Encourage	Ensure psychological safety in the team	Understand and value difference and diversity	
Challenge	Support team members to achieve their goals	Challenge the status quo	
Resource	Provide time to reflect and transform experience	Provide resource to collect, analyse and share information	Provide resources to team members to do their work – time and money
Experiment	Be open to new ideas and suggestions	Be willing to try new ideas	Be willing to try new ideas
Listen	Listen to other's point of view		

#### 4. Ways to identify if these actions are present

There are a number of ways for organisations to identify if these actions are present. Two main ways are via a team survey and via the leader reflecting on their actions themselves. In both instances it can only identify the perception of how often or well these actions are undertaken.

The benefit of a survey is that it may assist in understanding the perception of how prevalent these actions are from both the team member and the leader perspective. A survey could be developed exploring questions like rating how the leaders feel their team's perform tasks that the leader supports, and secondly by surveying the rating of how the team feel their leader performs the supporting tasks. This would provide a comparison to explore between the team member and leader perspective on how well the leader supports the actions. For example the paired questions could be as follows for an action under the encouraging theme:

For the Leader

My team... Feel confident to share their opinion on why they believe an incident occurred

For the team member

My leader... Helps me feel confident to share my opinion on why I believe an incident occurred

This has the benefit of not only identifying if it is felt that the actions are undertaken by the leader, but also to what degree the leader and team member are aligned. It is possible that a team member may not feel the encouragement of the leader because they are not recognising the actions undertaken. These paired typed questions can assist a leader to refine their actions so that the team members are aware of and value them.

#### 5. Conclusion

Leaders are a key component of any organisation and the actions a leader takes has the ability to enhance or impact the development of a learning organisation. For this reason, it is critical that leaders do all they can to enhance and promote a learning organisation, so companies can learn from their own and other's incidents to effectively implement preventative measures.

Reviewing these initial four models has allowed for the development of a fifth model, which defines clear actions that leaders can take to enhance the building and maintenance of a learning organisation. Further research could be undertaken to validate the effectiveness of the actions, and validate the model.

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