

How Competitive is your Organization's Learning Capacity? The Essential Guidelines at the Point of Inflection

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"The illiterate of the 21st century will not be those who cannot read & write, but those who cannot learn, unlearn, and re-learn"

*Alvin Toffler
Author of "Future Shock"*

Emerging and frontier trends driven by exponential increase in the influence of knowledge on modern society and businesses, do not present a singular set of challenges and/or uniform nature of opportunities to businesses; rather, they offer a range of complex and dynamic possibilities that are unique to each industry, and even to local markets within each country.

In order to secure sustainable competitiveness increasingly companies will be challenged to remain up to date, in turn to be relevant, as we enter an environment of heightened uncertainty and expanded complexity. In this new environment organizations must embrace a variety of business and organizational models that are each adaptive towards each other and, as whole adaptive to emerging challenges. Strategies must be integrative, yet distinctly customized to specific issues and/or to local communities.

In order to achieve such a dynamic state, CEOs will need to put increasing emphasis on developing and continually enriching a learning culture, enabling their organizations to navigate through generational shifts the global industries are undergoing – more frequently now than ever before. On one hand, organizations must deal with the challenge of transferring "hard-earned skill sets" from senior technical leaders to a new generation of operators and managers, and on the other, they must develop innovative mechanisms capable of capitalizing on exponentially expanding universe of knowledge, - characterized by diverse sets of new skills and technologies, aspirations and expectations.

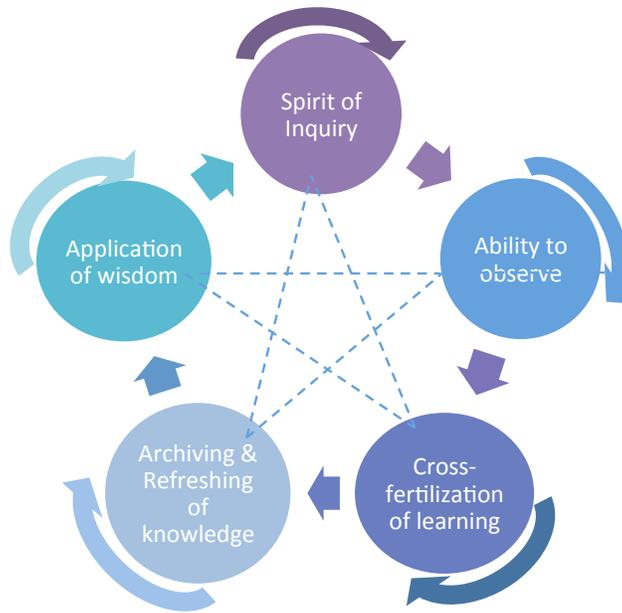
Increasingly leadership of companies have to aspire for and learn how to cultivate a culture of intellectual ferment that is enduring and self-energizing, and truly celebrates "*the spirit of inquiry*" and cultivate the courage for "*imaginative leaps*". In order to achieve sustained competitive advantage in such organizational properties, companies must be superior in developing, nurturing, and championing a high velocity learning system.

What I mean by learning system is a process that will cultivate in an organization and its people (i) the true desire to learn leading to a genuine spirit of inquiry, (ii) fine tuned sensitivity

to observe and hear, (iii) *high degree openness* to be able to cross fertilize multiple streams of thoughts and knowledge (iv) the ability to *archive and refresh* knowledge and finally (v) *a thirst to apply and experiment* with wisdom. Only when leadership of organizations, - through conscious effort to develop and deploy *organizational mechanisms (each compromised of formal and informal processes)* that will enable the *five properties* in concert with each other (Exhibit 1) they will be to secure a learning organization that is truly competitive.

Exhibit 1: The Critical Components of a Dynamic Learning System

High Velocity Learning System



Just as Toffler reminded us “*The illiterate of the 21st century will not be those who cannot read & write, but those who cannot learn, unlearn, and re-learn*” it is my firm conviction that the loosing organizations of the 21st century will not be those who cannot *innovate & serve*, but those who cannot learn, unlearn, and re-learn. So is the need for a high velocity learning system that must continually educate and enlighten executives across and up and down the decision making hierarchy, who are naturally comfortable in:

1. Exhibiting the **Spirit of Inquiry** to raise questions within and outside the constructs of current scope of engagement with the global society. While there are exceptions, largely in start-ups, one of the great ironies of 20th century organizations is that they seem to limit the natural impulse of questioning in people, - most essential to learning new developments and to pursuing scientific and technical discoveries and

invention. Much too often unless the questions originate from the c-suite of an organization, they are not given as much attention, which not only helps to curb young peoples questioning mindset, also bounds the new possibilities within the comfort zones of individuals who are normally removed from the customers they serve. Leadership must ensure that passion and thirst for knowledge are at the heart of the organizations they lead. Organizational units/executives should be encouraged to raise questions not constrained by organizational biases, as they should be encouraged to develop innovative idea to well defined questions.

2. Developing the **culture and skill to search for and sense trends** weak or strong, obvious or not so obvious in the environment beyond the ordinary. On one hand, to succeed in the emerging competitive environment companies need to focus on continuously improving operations through better and more efficient use of information and knowledge; on the other hand, in order to preempt technological disruptions and/or create new value propositions, companies will need to continually examine content of value propositions by continually searching for opportunities in peripheries of current value proposition and/or other parts of their value delivery chain, as well as the themselves. Organizational mechanisms, including formal and informal processes that encourage and reward individuals and teams who (i) demonstrate superior skills to search for and process signals however weak and on first sight however outside the scope of today's business, and (ii) draw creative meanings (*so what's?*) out of them for their organizations. Such mechanisms will need to be continually innovated to drive organizations' capability to be sharp and sensitive observers?

3. Working with multiple organizations at multiple levels as partners, to enable **cross fertilization of learning** without compromising on the essential thesis of value proposition and/or economic objectives of the enterprise. As such a process matures, cross boundary solutions (*Knowledge enriched value propositions*) will continually emerge to break the constructs of conventional industries. As organizations undertake projects and attempt to take advantage of the convergence of technologies from different domains, companies will have to work with multiple tiers of vendors and service providers – just as companies such as Boeing and Toyota work with numerous suppliers in the aerospace and automotive industries. These relationships will depend on the nature of the assets being developed and their particular technological requirements – from *nano/micro level* technologies, such as micro sensors, to *tera-level* technologies, such as satellite-based communication systems. Not only will relationships be different for different assets, but they could evolve over the lifecycle of a particular asset, in turn composition and role of the members could change.

4. Ensuring that **knowledge gained in continually archived and refreshed** in fashion so that various organizational units, distant or close to the corporate center, could continually contribute to the knowledge repository, and as refreshed, - benefit from it in a continuous fashion. One of the essential requirements of a good learning organization is in its ability to organize knowledge in such a fashion that it facilitates efficient learning and expedites knowledge creation.

5. Continually **applying the wisdom** gained to keep the dynamics of Learning systems continually self-enriching and self-energizing. In the process organizations could create a symbiosis of “art of imagination” and the science of “systems oriented thinking” based on deep analytical rigor. Google stands out as one of the few companies that has been able to successfully blend the “art of imagination” with the science of “systems oriented thinking” to foster innovation. In turn, Google has continually expanded its value-creation capacity and enhanced the efficiency of its value delivery. Google’s mission has always been to “organize the world’s information and make it universally accessible and useful”. In its pursuit of that mission statement, the company has promoted projects and acquired companies and start-ups to create a dynamic portfolio of technology ecosystems. By blending multiple perspectives through open and incentivized management style to which employees can contribute and become the engineers of innovation, organizations’ ability to use and value wisdom enhances and the “art of imagination” becomes part of the culture.

In view of the powerful forces that could restructure entire industries and transform interactions between them, board-level thinking must go beyond conventional long-range planning. Increasingly companies have to learn how to fuse analytical rigor and sound reasoning with the ability imagine and capture diverging possibilities, to converge towards innovative answers to complex issues.

Organizations will need to develop the leadership capacity to construct, deconstruct and reconstruct cross-industry ecosystems quickly, which often in a hierarchical command and control organization construct difficult to achieve. Accordingly at the heart of a future organization model, companies have to learn how to develop and operate a truly dynamic learning system, which enable them to stay competitive in terms of how they could stay strategically alert, operationally agile and organizationally adaptive. After all learning is a continuous process, which helps to keep an organization enlightened and engaged with frontier opportunities.