
Total learning organisation

Samuel K.M. Ho

The authors

Samuel K.M. Ho is Visiting Scholar at the School of Business, Hong Kong Baptist University, Hong Kong.

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Abstract

The fundamentals of learning organisations are revisited to provide a relevant perspective for achieving world-class performance. A new concept termed the “total learning organisation” is created and developed based on the theoretical background and the author’s consultancy experience. Three important World Cup matches are used as case examples to illustrate the application of innovation through the conceptual framework of the total learning organisation. The findings are useful for firms wanting to benchmark against the experience of leading firms which have survived and grown despite the two global oil crises and the recent Asian financial turmoil.

1. Introduction

The financial turmoil ignited by the currency crisis in Thailand since mid-1997 has started a widespread chain reaction in almost all Asian countries and Australia as well. The Hong Kong stock market crashes in October 1997 worsened the situation. With the benefit of hindsight, what are the lessons we can learn from these adversarial changes and how can we make things change for the better? Would the learning organisation have a role to play in economic recovery and the improvement of business performance? In order to address these questions effectively, we need to identify the pertinent meaning of the key words: management of change, the total learning organisation (TLO) and world-class performance. Then we shall investigate the intricacy of how these concepts can be developed to add more value to the successes of organisations. Interesting examples based on the World Cup experience will be used to illustrate the idea.

2. Management of change

There is an old saying: “the only constant is change”. If change is part of our daily life, how can we drive it under our control rather than being driven off by it? Change in an organisation would, in the long run, lead to change in the organisational culture. A typical example is the learning organisation, where people are excited in trying out new ideas and recognise that failure is an important part of success. Let us take a step back to look at the traditional strategic change process which can broadly be summarised by five key steps (Ho, 1998):

Vision ==> Mission ==> Behaviour ==>
Action ==> Culture

A new paradigm is:

Action ==> Behaviour ==> Mission ==>
Vision ==> Culture

In fact, the first step is nothing new. Peters and Waterman (1982) have already found out from over 46 successful firms that most of them choose “action” as step number one in their pursuit towards excellence. The new idea here is that action leads to behavioural change of employees. This arises from the learning process, and as Reg Revans (1983) said: “There is no learning without action and no action without learning”. If learning has

been taken successfully, organisational behaviour will be lifted to a dynamic and challenge-seeking level. This will influence the top management in defining their mission. By then they are confident that the mission, spin-off from a better organisational behaviour, will take off once it is announced. The chief executive will then be in a position to develop the corporate vision which will take the organisation through to a world-class level against competition. Being built on firm foundations, the new vision will establish a new culture within the organisation. One best known example of this new culture is *Kaizen*, the Japanese word for continuous improvement.

This new paradigm shift is not without evidence. Many successful Japanese and American firms have emphasised the importance of “close to the scene”. Typical examples are open office and factory plan. Sony and Hewlett Packard in Penang (Malaysia) have their general managers sitting in the middle of open offices which have a line of vision straight through to the shop floor. McDonald’s Restaurants have, right from the start, made their kitchen see-through, even by passing pedestrians.

3. From change to TLO

Peter Senge [1994] proposed the framework of the learning organisation, i.e.:

- Personal mastery (learning individual).
- Mental models (learning individual).
- Shared vision (learning team).
- Team learning (learning team).
- Systems thinking (learning organisation).

Way before Senge was hailed as the world’s authority on building learning organisations, a number of TQM gurus had already developed some important teaching on the learning organisation (Ho, 1995). Amongst them are:

- (1) *W. Edwards Deming (1993)* – new management philosophy. Ten of Deming’s 14 Points are related to learning:
 - Point 2: Adopt the new philosophy, i.e. learning organisation.
 - Point 6: Institute training.
 - Point 7: Institute leadership.
 - Point 8: Drive out fear.
 - Point 9: Break down barriers between departments.

- Point 10: Eliminate slogans, exhortations and numerical targets for the workforce.
 - Point 11: Eliminate numerical quotas or work standards.
 - Point 12: Remove barriers to taking pride in workmanship.
 - Point 13: Institute a vigorous programme of education.
 - Point 14: Take action to accomplish the transformation.
- (2) *Joseph M. Juran (1988)* – upward spiral for continuous learning.
 - (3) *Kaoru Ishikawa (1986)* – quality circle and team-learning.
 - (4) *Yoshio Kondo (1989)* – creativity and quality work.
 - (5) *Claus Moller (1987)* – personal quality.
 - (6) *Reg Revans (1983)* on the learning organisation:
 - that its CEO places high among their own responsibilities that of developing the enterprise as a learning system: this he or she will achieve through their personal relations with their immediate subordinates;
 - maximum authority for subordinates to act within the field of its own known policies that become known by interrogation from below;
 - codes of practice and other such regulations are to be seen as norms around which variations are deliberately encouraged as learning opportunities;
 - any reference to what appears an intractable problem to a superior level should be accompanied both by an explanation of why it cannot be treated where it seems to have arisen and a proposal to change the system so that similar problems arising in future could be suitably contained and treated;
 - persons at all levels should be encouraged, with their immediate colleagues to make regular proposals for the study and reorganisation of their own systems of work.

Unfortunately, none of the above gurus have developed the concept of “total”. The total learning organisation (TLO) is one which facilitates the learning of all its members and continuously transforms itself. Like total quality management, in order for a learning

organisation to flourish, everyone in the organisation has to learn. Hence, the importance of the word “total” should not be undermined. A more formal definition is therefore proposed as:

- Total – all members of the organisation are involved.
- Learning – the critical process for “change for the better”.
- Organisation – a structured approach to achieve success.

4. From TLO to organisational change

The relationship between TLO and corporate strategy is illustrated in Figure 1. This approach adds totality to the learning organisation, as it is communicated throughout the organisation and spanned over its long-term plan.

5. An example of total learning for world-class performance

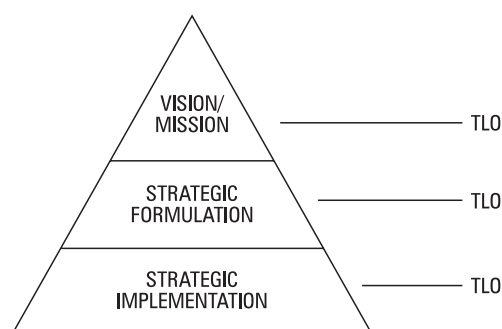
The World Cup football matches in 1990, 1994 and 1998 are used to illustrate the application of total learning for achieving world-class performance.

Case 1. The 1990 World Cup Semi-final

The 1990 World Cup Semi-Final between England and West Germany was one of the most exciting matches in that year’s World Cup which took place in Italy. The England team came to a 1-1 draw with the West German team after 120 minutes of exciting and exhaustive competition. Then the match came to the penalty shoot-out.

The rule of the World Cup Semi-final and final matches is that when it comes to a draw,

Figure 1 The relationship between organisational change and TLO



the winner has to be decided using penalty shoot-out. Each team will shoot a goal alternatively, up to a maximum of five goals. The first team to score a clear advantage is declared the winner. While teams would be expected to play to win during normal game time, the clear possibility of a penalty shoot-out, together with its clear rules, suggests that the wise team manager would ensure that a strategy was in place and had been well rehearsed. Teams should be prepared to master the situation when it comes up.

In penalty shooting, there are two rules that players should learn by heart:

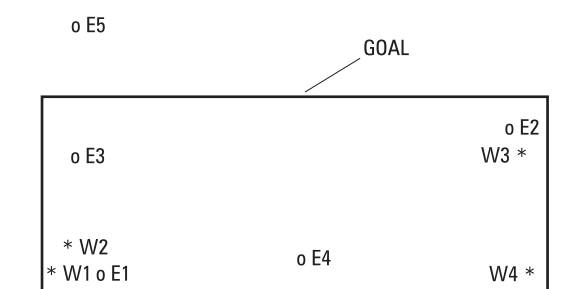
- *Rule number 1:* To maximise the probability of success, it is important that the ball ends up away from the goalkeeper’s reach. The football regulation requires the goalkeeper to stay in the middle of the goal, and not to move before the penalty-shooter hits the ball. Therefore the most likely positions are those along the inside edges of the goalposts, the higher the better, provided that the ball does not go over the bar. This suggests that the player should target these points.

There is a definite starting point (i.e. 12 yards midway from the goal) and no other people interfering, apart from the goalkeeper. Moreover, because the goalkeeper is not allowed to make any move before the shooter touches the ball, nobody but the shooter can have any influence upon the outcome until after the shot. This leads to Rule number 2.

- *Rule number 2:* The shooter should assume that there is nobody at all in the field, and concentrate on shooting the ball into the positions defined as the best.

Figure 2 shows the approximate positions of the nine penalty goals. The four German shots all followed the three rules, as did the

Figure 2 Approximate positions of penalty shoot-out goals – World Cup Semi-final 1990: England (E) vs. West Germany (W) (E4 and E5 are missing shots)



three successful English shots. With the two unsuccessful English shots, it is apparent that Rule number 1 was broken in shot 4 while, in shot 5, Rule number 2 was broken.

From this analysis, the coach must train the players hundreds of times so that they are at the peak of their performance. One very important responsibility of the World Cup coach is to train his team again and again on Rule number 1; and use a dummy (short and fat) goalkeeper for Rule number 2. This TLO approach will ensure that every player is subjected to the learning process and can acquire the rules for winning with the world-class performance.

Case 2. The 1994 World Cup Final

During the 1994 World Cup Final which took place in the USA, Italy almost repeated the same mistakes the England team had made in 1990. The Italy team came to a 0-0 draw with Brazil after 120 minutes of exhaustive competition. Then the match came to the penalty shoot-out. Figure 3 shows the approximate positions of the nine penalty goals.

On the other hand, Brazil missed the first penalty due to having disobeyed Rule number 1, but other team members quickly realised the cause of the failure, implemented corrective action and gave no chance for the mistake to recur. The difference between a winning team and a defeated team is that the winning team (Brazil) could discover the cause quickly and move back to the planned course of action immediately. This difference means success, and again is the result of total learning.

Case 3. The 1998 World Cup Semi-final

During the 1998 World Cup Final which took place in France, the Brazil team improved their learning by standardising the shooting towards the top-left corner of the goal by

every player. This corner was chosen because it is the most controllable position for a right-leg player. The Netherlands team came to a 1-1 draw with Brazil after 120 minutes of exhaustive competition. Then the match came to the penalty shoot-out. Figure 4 shows the approximate positions of the six penalty goals. It goes without saying that the TLO team wins.

6. Conclusions

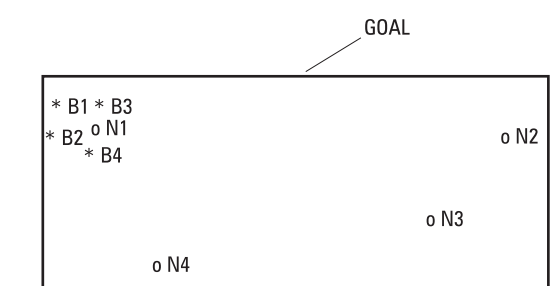
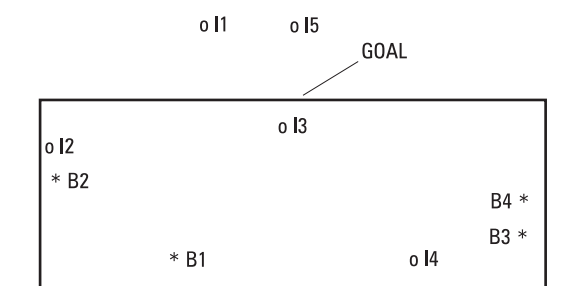
The fundamentals of learning organisations are revisited for providing a relevant perspective on achieving world-class performance. A new concept termed the “total learning organisation” is created to fill the gap of “totality” in organisational learning. The 1990, 1994 and 1998 World Cup matches are used as case examples to illustrate the application of TLO for achieving world-class performance. A set of rules has been proposed based on the concept of TLO and the case studies.

Although the case studies propose how to win the World Cup, an even more important objective for managers is to learn from the lesson of the discussed World Cup experience:

- World-class performance can be achieved through the identification of the rules for success.
- Everyone must learn from the experience of mistakes and hence the related rules.
- The cost resulting from mistakes due to poor learning can be enormous.
- Through TLO, we can work towards a plan that will lead the organisation towards world-class performance.

Figure 4 Approximate positions of penalty shoot-out goals – World Cup '98 Semi-final 1998: Brazil (B) vs. Netherlands (N) (Missing shots are N3 and N4)

Figure 3 Approximate positions of penalty shoot-out goals – World Cup Final 1994: Italy (I) vs. Brazil (B) (B1, 11, 14 and 15 are missing shots)



The findings are useful for firms wanting to benchmark against the experience of leading firms which have survived and grown despite the two global oil crises and the recent Asian financial turmoil.

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