Measuring Learning for Innovation and Linking It to Performance in Companies, Collaboratives, & Knowledge Networks

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Teachers College, Columbia University
March 11, 2003
The Business Case

In today’s conditions of uncertainty and rapid change, many organizations need to
- Reassess focus and direction quickly
- Rethink how people work together
- Learn for innovation

Our work suggests that learning is key to addressing these challenges successfully
The Business Case

Companies need to demonstrate that learning leads to innovation and bottom line results.

Without measures of learning linked to performance, it is difficult to show how leveraging learning can lead to innovation and bottom line results.
The Huber Institute

Is working with organizations
To harness the potential of
And assess the strategic value of

*Organizational Learning*
Model and Instruments

To guide and assess organizational learning and change, we have developed
- Multi-level models
- Research-based instruments

Organizational-Level Outcomes
- Learning and Performance
Model and Instruments

- Assess the state of an organizational system
- Guide interventions that lead to systemic change
- Facilitate learning to monitor and modify interventions
- Assess systemic change following interrelated interventions
- Assess links between interim outcomes of systemic change and strategic goals
Strategic Leverage Through Learning

Level 1
Transformational Variables
Mission/Vision, Strategy, Leadership, Culture

Level 2
Transactional Variables
Structure, Management Practices, Communication & Information Systems, Climate

Level 3
Interim Organizational Learning and Performance Outcomes
External Alignment
Internal Alignment
Commitment
Innovation
Workgroup & Organizational Learning
Knowledge/Expertise Creation

Level 4
Strategic Drivers
(e.g., Cost, Quality, Customer Satisfaction)

Level 5
Long-Term Strategic Performance

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### Strategic Leverage Through Learning: Interim Outcomes

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>External Alignment</strong></td>
<td>Demonstrated capacity to use knowledge about, adapt to, and shape changes in relevant environments to enhance effectiveness</td>
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<tr>
<td><strong>Internal Alignment</strong></td>
<td>Demonstrated capacity to enhance effectiveness by integrating or aligning goals, strategies, and processes of different units and by assessing effects of actions in one part of the system on other parts</td>
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<tr>
<td><strong>Commitment</strong></td>
<td>System-wide commitment to the vision, mission, goals, strategies; and to do what it takes for success</td>
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<tr>
<td><strong>Learning</strong></td>
<td>Demonstrated capacity of groups and the system to learn from own and others’ experience for both problem solving/incremental improvement and fundamental change</td>
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<tr>
<td><strong>Knowledge/Expertise Creation</strong></td>
<td>Demonstrated capacity to generate, seek, capture, share, and use tacit and explicit knowledge and expertise</td>
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<tr>
<td><strong>Innovation</strong></td>
<td>Demonstrated capacity to recognize needs and opportunities for, and to get and use, new ideas and approaches to enhance effectiveness</td>
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Strategic Leverage Through Learning

- Measures developed and validated through partnerships with diverse organizations
- Organizations were planning interventions to address current or anticipated performance challenges
- Leaders believed their organizations needed to
  - Reassess focus and direction quickly
  - Rethink how people worked together
  - Learn more effectively in workgroups and as a system
  - Innovate to address challenges
Strategic Leverage Through Learning

We conduct
- Focus groups and interviews
- Baseline assessment using SLL

We prepare
- Profile of strengths and weaknesses on interim outcome measures
- Analysis of system supports and barriers that contributed to profile

Discussion of profiles, barriers, and supports at feedback sessions are used for action planning around interventions
Questions for Discussion

What business challenges is your organization facing for which the solution depends on the organization learning faster, better, in new ways?

What barriers in the organization impede that learning?

What supports could facilitate that learning?

What would success look like?
**Strategic Leverage Through Learning: A U.S. Case**

Use of Instrument to Improve Learning and Performance in Federal Judicial Agency

A (U.S.) federal judicial agency shifted from manual filing to electronic case filing over the Internet

- Performance declined
- Inter-departmental conflict increased
- Employee satisfaction plummeted
Federal Judicial Agency Case

Organizational Assessment & Diagnosis

- Baseline assessment with instrument part of larger organizational intervention
- Diagnosis included key areas for improvement and barriers to success
Federal Judicial Agency Case

Key Areas for Improvement: Alignment

- Poor alignment
  - Work processes not integrated across work groups and departments
  - Workgroup and departmental goals did not help people work together
  - Relationships characterized by conflict and suspicion
Federal Judicial Agency Case

Key Areas for Improvement: Learning

Court’s limited capacity to learn from experience

- Court not able to respond quickly to change goals and practices when problems or crises indicate that things no longer work well
- Court can solve problems but cannot prevent them from recurring
Federal Judicial Agency Case

Key Areas for Improvement: Commitment

- Low employee commitment and motivation
  - Employees say they are committed to organization’s goals, but many are not willing to do whatever it takes to help the court be successful
  - Most employees are not enthusiastic about their work
Federal Judicial Agency Case

Key Barriers to Optimum Learning and Performance: Management Practices

Managers

- Did not take responsibility for problem solving
- Were often unwilling to be questioned
- Could not themselves work together productively
Federal Judicial Agency Case

Key Barriers to Optimum Learning and Performance: Culture and Systems

- Norms in the work climate and culture did not always support innovation, risk taking, or learning from experience.

- Systems, practices and rewards made it difficult to
  - Innovate
  - Get needed information
  - Work well with others toward common goals and problem solving across boundaries
Federal Judicial Agency Case

Assessment with Our Instrument Helped Organization to Find Solutions

- Managers began to work together on projects they proposed, e.g. new strategic planning process that benefited dialogue, coordination and information flow

- Managers created ways for staff to analyze problems, propose solutions, and hold regular coordination meetings
Federal Judicial Agency Case

Assessment with Our Instrument Helped Organization to Address Problems

- Staff were helped to set, communicate, and work toward clear goals
- Agency initiated practices to learn from experience such as After Action Reviews and use of suggestion box
- Agency introduced mentoring, coaching, and dialogue practices to improve commitment, motivation and trust
Federal Judicial Agency Case

Reassessment After 18 Months

A reassessment took place after 18 months using our instrument

Major improvements on interim outcomes
Federal Judicial Agency Case

Improvement in Performance Measures

- Performance measures selected and tracked by managers improved
- Rate of movement of cases through court stopped decline and began to rise
Federal Judicial Agency Case

Reassessment Results

- Work processes were better designed to integrate across departments
- Goals helped units and departments work together more effectively
- There were increases in
  - Opportunities for input
  - Support for learning and performance
  - Trust and sharing of information
Models and Instruments

Models and Instruments adapted for use in

- Knowledge Networks and Communities
- Interorganizational Collaboratives
Conceptual Model For Assessing KNC Strategic Value

Organizational Level

Organizational Supports and Barriers

Organizational Mechanisms to Utilize KNC Outcomes

Knowledge Network & Community Level

KNC Effectiveness → KNC Learning & Performance → Potential Value of KNC Outcomes

External Environment

Organizational Learning & Performance

Progress Toward Strategic Goals
How to Use Our Assessments

- Identify strategic goals that initiative should advance
- Assess current strengths and gaps (baseline)
- Identify possible interventions to enhance value
- Design and implement interventions
- Monitor implementation and collect data on results (action research)
- Reassess organizational measures and links to strategic goal achievement
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