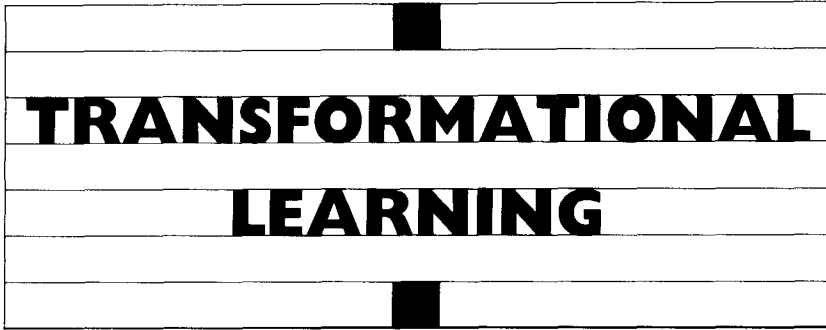


TRANSFORMATIONAL LEARNING

*Renewing Your Company
Through Knowledge and Skills*



DANIEL R. TOBIN



**TRANSFORMATIONAL
LEARNING**

RENEWING YOUR COMPANY THROUGH
KNOWLEDGE AND SKILLS

DANIEL R. TOBIN

John Wiley & Sons, Inc.
New York • Chichester • Brisbane • Toronto • Singapore

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Published by John Wiley & Sons, Inc.

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Library of Congress Cataloging-in-Publication Data:

Tobin, Daniel R., 1946–

Transformational learning : renewing your company through
knowledge and skills / Daniel R. Tobin.

p. cm.

Includes index.

ISBN 0-471-13289-6 (alk. paper)

1. Organizational learning. 2. Reengineering (Management)

I. Title.

HD58.82.T63 1996

95-39107

658.4'063—dc20

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

ACKNOWLEDGMENTS

This book would not have been possible except for the willingness of so many people to share their ideas and experiences with me. At Ace Clearwater Enterprises, CEO Kellie Dodson and Vice President Gary Johnson spent a lot of time telling me about their experiences in renewing their company. Leila Mozafarri and Joan Carvell at the California Manufacturing Technology Center also provided me with vital information about the Ace Clearwater story.

Dr. Joseph Giusti was very gracious in providing me with information about engineering education programs at AMP, Inc., as well as sharing his long experience in the education field.

Dr. William Clover at the Amoco Management Learning Center provided me with useful information and innovative ideas that he has used in his outstanding programs.

Ed O'Brien and Bryan Lanahan told me the fascinating story of Corning's innovation process and the role of learning and training in establishing a new standard for product innovation and development throughout the Corning world.

Donna Hutter of Lab Safety Supply shared with me LSS's experience in doing process mapping and how the business was changed as a result.

Joe Slezak of Mercury Marine provided me with material about his outstanding Learning Center and shared many other ideas with me during my visit there.

Tim O'Brien of PHH University taught me a lot about learning and training in a multiunit business and the challenges of spreading learning among disparate business units.

Steve McIntosh, currently president of Tartan Consulting, hosted my visit to PPG Industries while he was still its Director of Training, Development, and Education. He and his staff provided me with excellent information about their approaches to building a "virtual training organization"—a term we each coined independently several years ago. Steve has been a great support over the past several years. Steve also generously gave me a copy of PPG's "Professional Development Sourcebook," one section of which is reproduced in Appendix B.

Steve Kirn from Sears was very generous with his time and in sharing his experiences with the "Phoenix Group," which has been driving the company's renewal process.

Lew Jamison and his staff at Sun Microsystems were very helpful in sharing the excellent approaches to building and sustaining action learning teams at Sun. Lew was kind enough to share with me SunU's list of Team Competencies, which appears in the book.

Ann Batal, Director of Human Resource Development at Biogen, was generous with her time and in discussing the challenges facing the biotechnology industry. She also shared with me Biogen's statement of values and the story contained in this book about how the company's leaders made the values real.

Britton Manasco, editor of *The Learning Enterprise*, a newsletter on corporate use of learning technologies, has been very helpful in exchanging ideas and views on the role of technology in creating learning organizations. He also reviewed and commented on my ideas about the concept of the "knowledge network."

David Hogg, Vice President of Quality Improvement at J.W. Mercer & Associates, and James Marchant, Vice President of Human Resources at Avenor, Inc., both graciously acted as in-process reviewers of this book and offered many useful insights and suggestions.

In addition to all of these people, I owe a great debt to my many consulting clients and the hundreds of people who have at-

tended my presentations and workshops. These people not only have shared their own extensive experience with me but also have acted as sounding boards for many of the ideas contained in this book, forcing me to sharpen my concepts and to make my recommendations much more practical.

I am also grateful to my agent, Michael Snell, who helped me develop the ideas in this book and provided much support in making the transition from the original publisher, Omneo, to the new publisher who purchased Omneo. Jim Childs, publisher at Omneo, moved to a new position as Publisher of Business and Trade Publications at John Wiley & Sons and eventually brought this book with him. Thanks are also due to my new editor at John Wiley & Sons, Jim Bessent, who provided many excellent suggestions that make this book more solid and interesting.

Finally, my enduring thanks go to my wife, Susan, and my daughter, Molly, for their ongoing support.

INTRODUCTION

London may have the best taxi service of any major world city. Not only are the taxis themselves scrupulously clean and free of dents, but the drivers know where they are going. Give a London driver an address, the name of a public building or monument, a hotel, or a major business establishment, and you get there without fuss or bother (although first-time American visitors are often confused by the cars driving on the “wrong” side of the road and the drivers sitting on the “wrong” side of the front seat).

To become a London cab driver involves more than buying a cab, installing a meter, and picking up fares—to qualify as a driver, a person must first acquire “the knowledge.” As one writer describes it:

The knowledge refers to knowing not only the streets of London, a skill equal in difficulty to learning Chinese as a second language, but also the fastest and cheapest way to go from a given point A to a selected point B.¹

On my first trip to London in the mid-1980s, I happened to tune in to a movie on BBC television entitled “The Knowledge.” It told the story of a group of people who yearned to earn a London

taxi license. Their greatest challenge was to master “the knowledge.”

The knowledge is contained in a published handbook containing several hundred routes through the London streets. By following and memorizing each of these routes, a driver candidate will traverse every street in the city of London, pass every public building and monument, see every hotel and business establishment, learn every one-way street and every exit off the motorways, and so on. It is an ingenious method of presenting the information that candidates must master to earn their taxi licenses.

Taxi driving in London is a *knowledge-based business*. And although the task of mastering the knowledge is a daunting one, once learned, the knowledge remains relatively stable. The streets of London are relatively immutable—the city may occasionally add a new street, may set up detours around construction sites, or may change a one-way street to bidirectional, but the basic layout of the city does not change much over time.

Would it be possible for every employee in every business to be given a book of knowledge that includes every destination, every task, every challenge the employee will ever face? I think not. In today’s global business environment, products, technologies, markets, competitors, and customers change constantly. To respond to the ever-changing business environment, employees at all levels must acquire a set of knowledge and skills that will not only allow them to accomplish the work they face today but will also enable them to respond to changing business conditions to meet today’s goals and to create new opportunities for their own and their companies’ future success.

Just as the characters in the movie transformed their lives by mastering “the knowledge,” so employees in every company can transform their own lives by acquiring the knowledge and skills they need to take command of their careers, to see how their own work is part of, and contributes to, the larger work of their companies. This is *transformational learning* that enables employees to renew their careers and their companies to renew their businesses.

LEARNING AND TRAINING

As demonstrated in the movie, people learn in many different ways. Some walk the routes; others ride them on mopeds or in cars, with

the book and maps spread in front of them. Others study the book, trying to memorize the routes. Still others have people recite the routes to them repetitiously until they have committed them to memory. There isn't a formal training program to teach the knowledge. Each person learns in the way that is most natural and comfortable. The average driver candidate requires several attempts at the examination and *four years* to acquire the knowledge before earning a license.

The knowledge and skills required for company employees cannot be viewed solely as a "training problem." Training is one path, but many others also exist. Learning methods must be tailored to the individual employee, to the requirements of the job, to the goals of the company. Following the path to transformational learning does not automatically require that a company increase its training budget. Indeed, as learning is tailored more precisely to individual and company needs, a company may find that it does not need to invest as much in formal training activities as it has been doing.

PEOPLE: THE KEY TO COMPANY RENEWAL

As the American economy has staggered along over the past decade, many companies have sought to renew or transform themselves from old, slow, ungainly bureaucracies to newer, more agile organizations that can compete effectively in the global business environment. Many of these companies started by investing millions of dollars in new technologies and methodologies, betting that these investments would magically transform them. But technologies and methodologies cannot transform a company. They can enable change, that is, make it possible. They can facilitate change, that is, they can make it easier. But they cannot cause change—they cannot make change happen. People make change happen.

Today's successful companies have recognized that only by investing in their most important assets—their people—can a true company transformation become a reality. People, using their knowledge and skills, are the only effective change agents for any company.

Whether working from crisis and seeking a transformation or turnaround, or working from current success and seeking to renew the company to create a brighter future, leaders are finding that they must invest in learning, in helping employees at all levels acquire the knowledge and skills they need to fuel the transformation or renewal efforts. This is the basis for transformational learning.

In this book, I present a number of success stories, from companies large and small, that have undertaken their renewal initiatives by investing in transformational learning, and practical advice on how you can undertake your own journey to company renewal.

Unlike the streets of London, there is no stable body of knowledge that you can master to ensure ongoing success. But by mastering a set of skills and knowledge, by setting up a healthy learning environment, you can equip yourselves and your employees to meet each new challenge head-on and to keep everyone in the company headed in the right direction, pulling together to meet long-term and short-term goals.

OVERVIEW

In Chapter 1, “The Art of the Possible,” we will examine how companies must define their renewal efforts, how they must recognize that the key to company renewal is through the skills and knowledge of employees at all levels. A model for knowledge and skill acquisition and a basic model for company renewal initiatives are presented.

The story of Ace Clearwater Enterprises (ACE) is discussed in Chapter 2. ACE is a prime example of a company that went from crisis to stability to bright prospects for the future by following the path of transformational learning for every employee, from the executive suite through the shop floor.

To accomplish a company’s renewal goals, all employees must understand those goals and must align their individual and collective work with those goals. Chapter 3, “Define, Then Align,” presents some ideas around the planning process and discusses common barriers to effective planning efforts.

In Chapter 4, “Forming the Partnership with Top Management,” the stories of Sears, Amoco, and Corning’s efforts to set

new directions and to ensure that all parts of the company were aligned with those directions, are presented. This chapter also includes valuable lessons from these companies' efforts.

Chapter 5, "Starting at the Top: Getting Everyone Moving in the Same Direction," offers practical advice for company managers seeking to start their own renewal programs. This chapter also contains practical advice for business unit and departmental managers who want to start their own renewal efforts even when they have no clear direction from top company leadership.

Before starting any journey, you must define the point from which you are starting. Chapter 6, "Finding Your Starting Point," presents a set of "five foundations" that together form a strong basis for any renewal effort. This chapter contains methods of assessing the presence and strength of your organization's foundations and advice on methods of building or fortifying your foundations.

Once you have defined the knowledge and skills needed for your renewal effort, you must determine how to acquire them. Chapter 7 focuses on three key knowledge acquisition strategies: buying, renting, and developing.

Acquiring knowledge and skills are not one-time activities. The next three chapters focus on three key programs designed to maintain the momentum of the company's renewal program. Chapter 8 focuses on "Learning from the Best" or how to use internal and external benchmarking as a learning method. Chapter 9, "Building a Knowledge Network," provides methods for ensuring that the company can take advantage of the vast reservoir of knowledge and skill resources available both within and without the company to continually renew itself. Chapter 10, "Action-Oriented Teamwork," demonstrates how effective teamwork always has a "bias for action."

In most companies, learning activities have traditionally been the province of formal training and development or human resource development groups. Chapter 11, "Bridging Two Worlds," defines the role that these organizations must play in enabling and facilitating company renewal efforts and discusses why traditional training models are not able to meet these requirements.

Finally, in Chapter 12, we examine how companies and individuals "value learning," that is, how to measure the impact of learning on the attainment of individual and company goals.

**PLANNING YOUR OWN JOURNEY
TO COMPANY RENEWAL**

As you will see throughout this book, there is no one path to company renewal that will work for all companies. Each company must select its own destination. Each company must determine its own starting point. And each must examine the many paths available to get from here to there.

But for all companies, for all destinations, no matter where the starting point may be, the journey is possible, the destination attainable only through the optimal utilization of the company's most important assets—the knowledge and skills of all company employees. Transformational learning provides the means for undertaking your renewal journey. It is my hope that this book facilitates your planning and makes the road you choose easier to travel.

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ONE

THE ART OF THE POSSIBLE

Many companies have experienced various degrees of crisis during the past decade. New stories about layoffs, downsizings, right-sizings, and plant closings costing hundreds of thousands of jobs appear almost daily. Increased global competition, ineffective management, unproductive investments, strategies gone awry—all are cited by spokespeople for the downturn in the companies' fortunes.

Many of the programs that promised to redeem American industry (TQM, Business Reengineering, the Learning Organization, etc.) have more often than not failed to deliver the expected results in performance. As reported in a *Business Week* feature on “Quality: How to Make It Pay”:

Countless . . . managers have heeded the siren song of total quality management, or TQM, only to discover that quality doesn't necessarily pay. At Johnson & Johnson, quality teams for several product lines criss-crossed the country, benchmarking against other companies, but costs skyrocketed. In 1990, Wallace Co. won the Malcolm Baldrige National Quality Award. Two years later, the oil equipment company filed for Chapter 11 as the cost of the quality programs soared and oil prices collapsed.¹