

# How Organizations Change

---

## Part Two: Obstacles to Learning

by Henrik Mårtensson

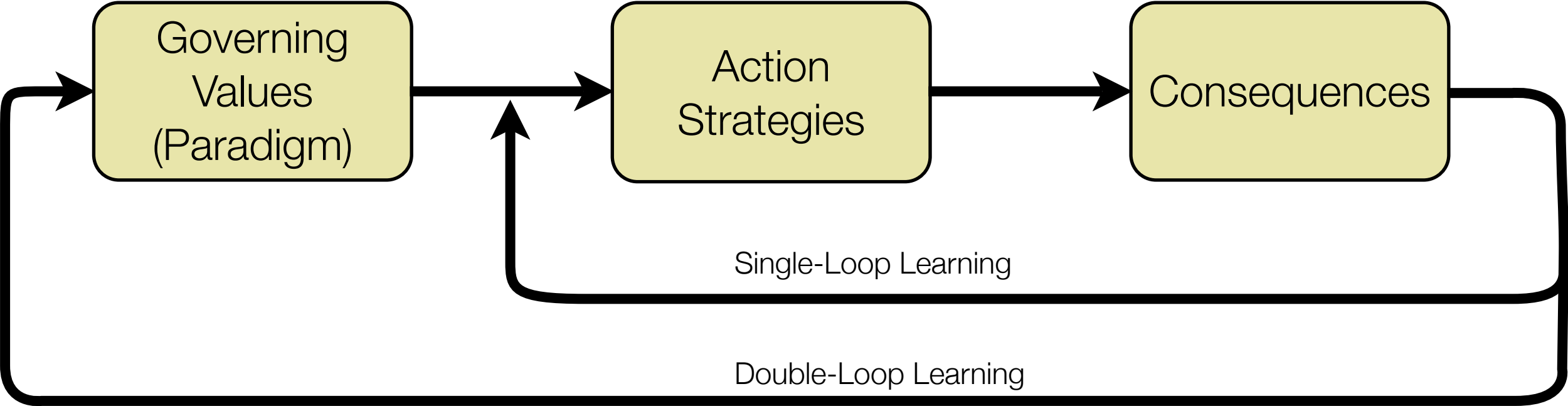
# introduction

---

- Hi, I'm Henrik Mårtensson
  - Welcome to the second part in a series of webcasts about how to change organizations.
  - This time I will discuss why learning new things is so hard in many organizations.
  - What I will show you is a model, not the absolute truth. However, it is good enough to give us levers we can use to make the organization support learning instead of suppressing it.
  - The model I will present is partly based on work by Chris Argyris, partly on Sutton, Pfeffer, and Dettmer.
- Let's get going

# The Double Loop

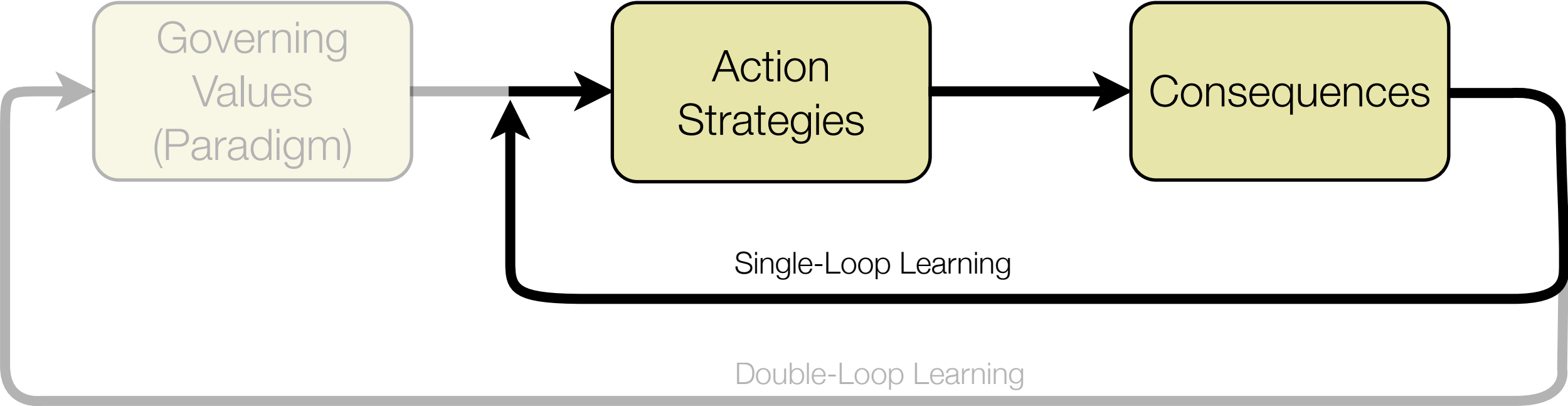
---



The learning process of people and organizations can be modeled as a double loop.

# The Double Loop

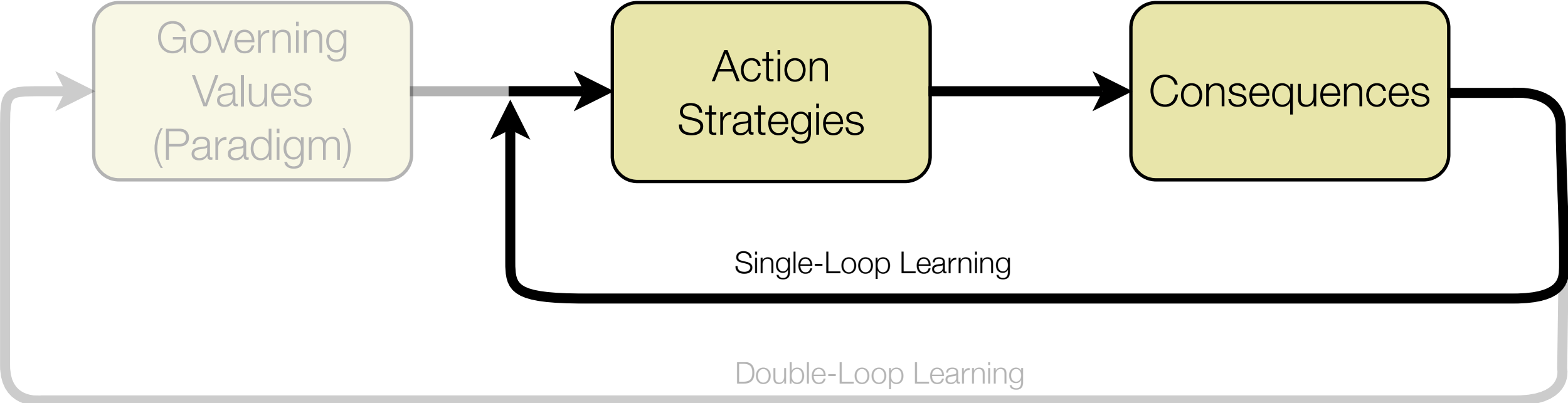
---



We traverse the inner loop quite frequently: we take some action based on our action strategies, face more or less immediate consequences, and modify our strategies accordingly.

# The Double Loop

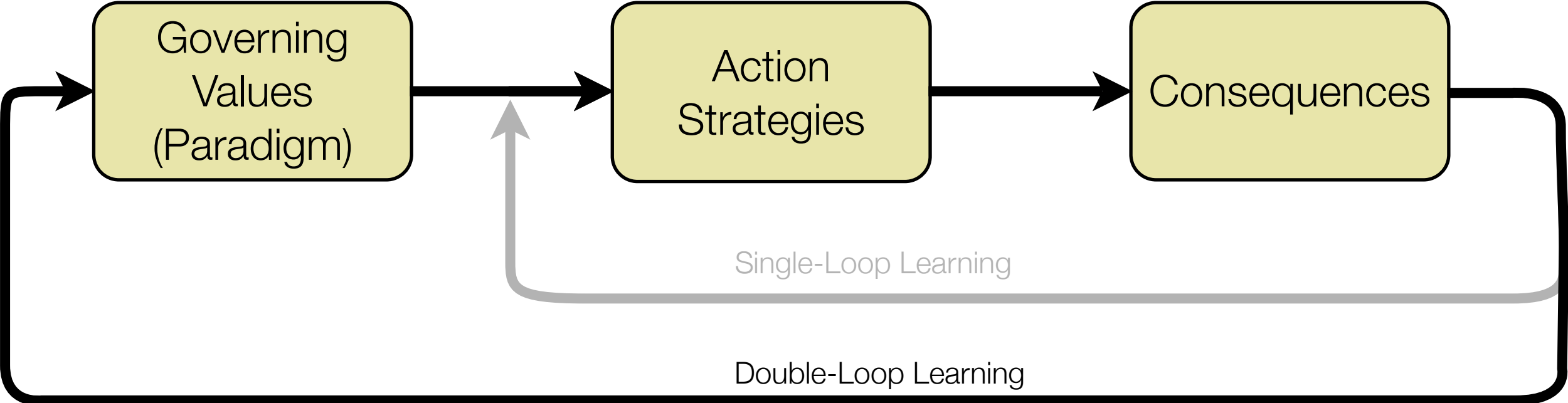
---



We traverse the inner loop quite frequently: we take some action based on our action strategies, face more or less immediate consequences, and modify our strategies accordingly.

# The Double Loop

---



Traversing the outer loop is slower. When our strategies fail to produce the desired results, we eventually begin to question the values the strategies are based on. This eventually leads to a paradigm shift - part of our basic beliefs change. We will examine how this double loop is affected by the paradigm used by most people, in most companies today.

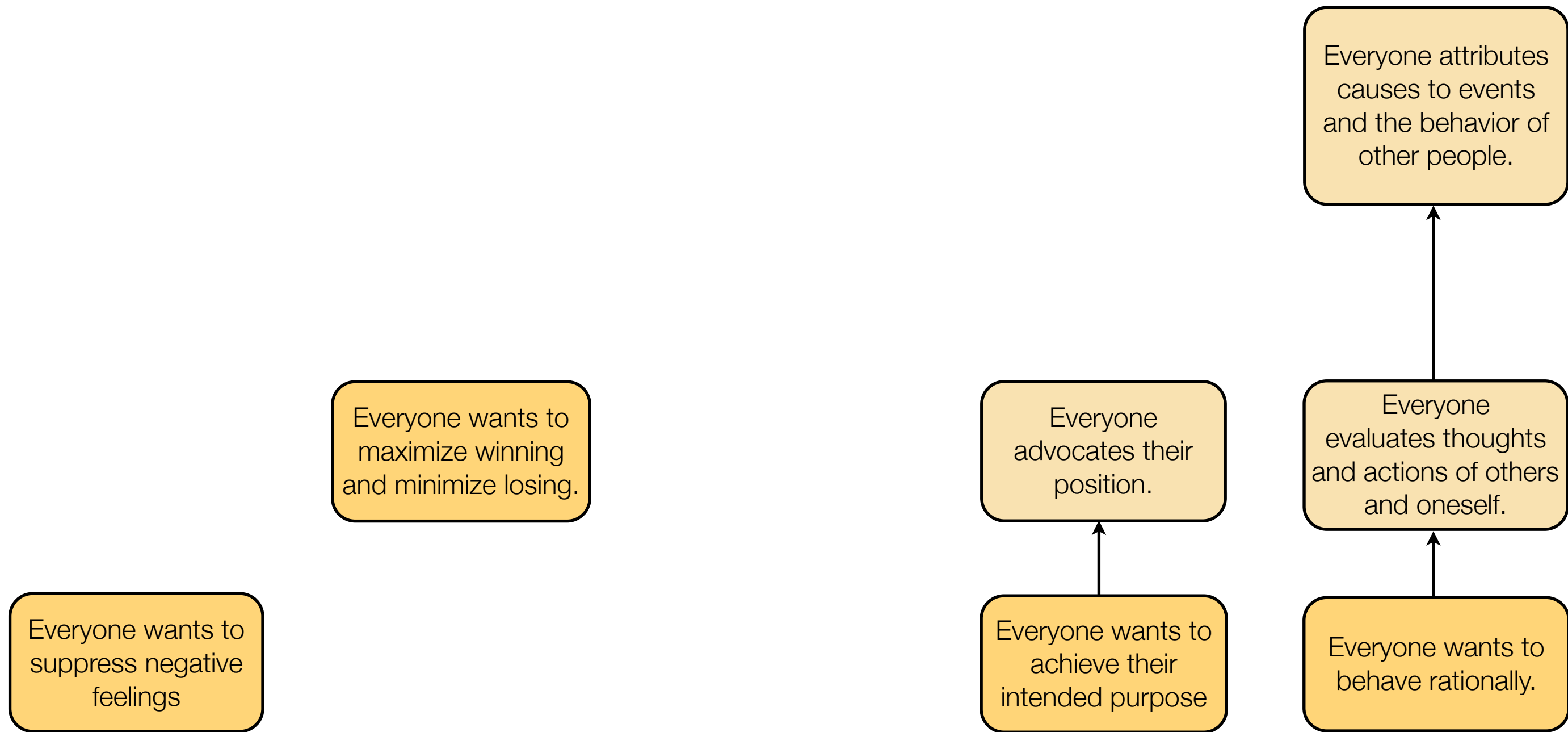
Everyone wants to suppress negative feelings

Everyone wants to maximize winning and minimize losing.

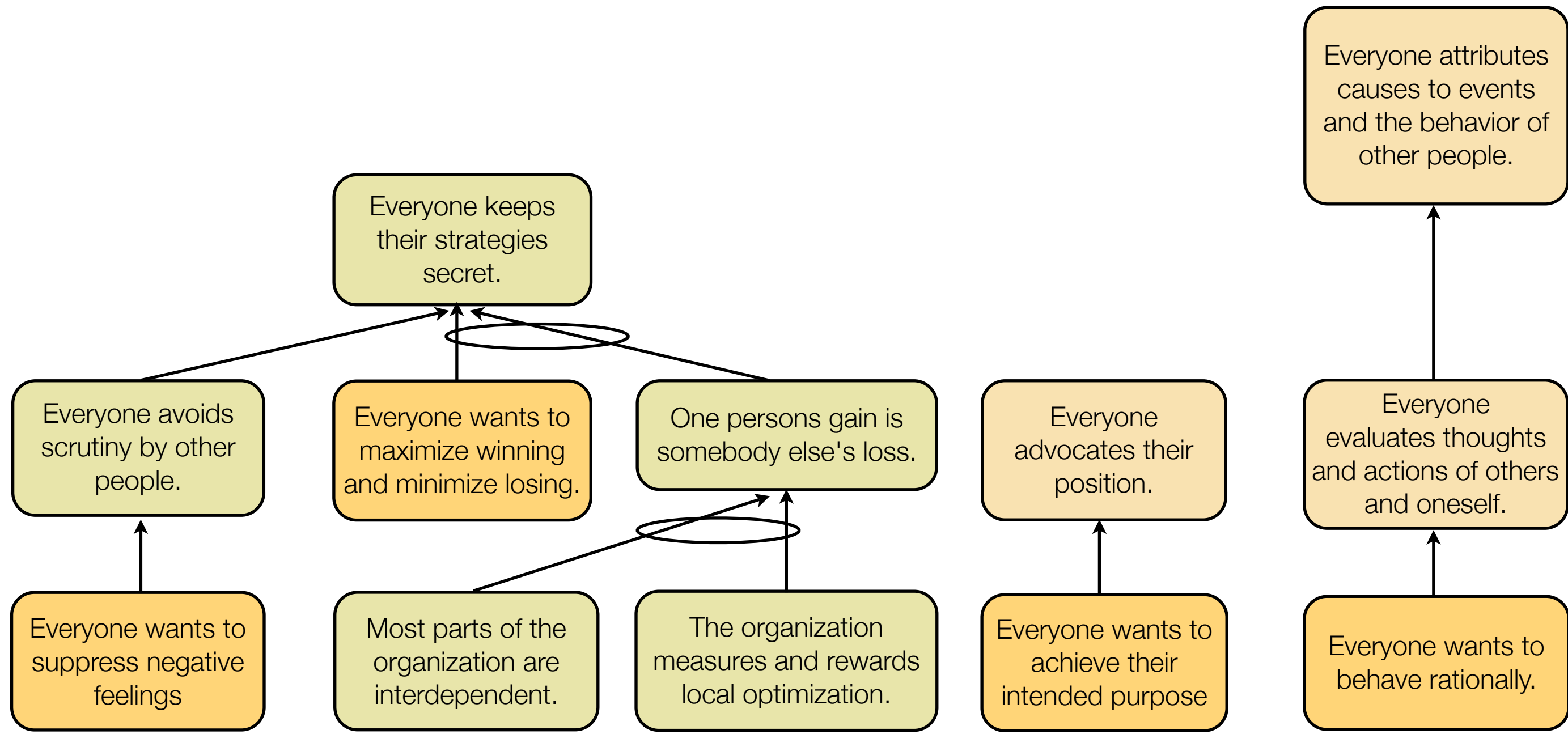
Everyone wants to achieve their intended purpose

Everyone wants to behave rationally.

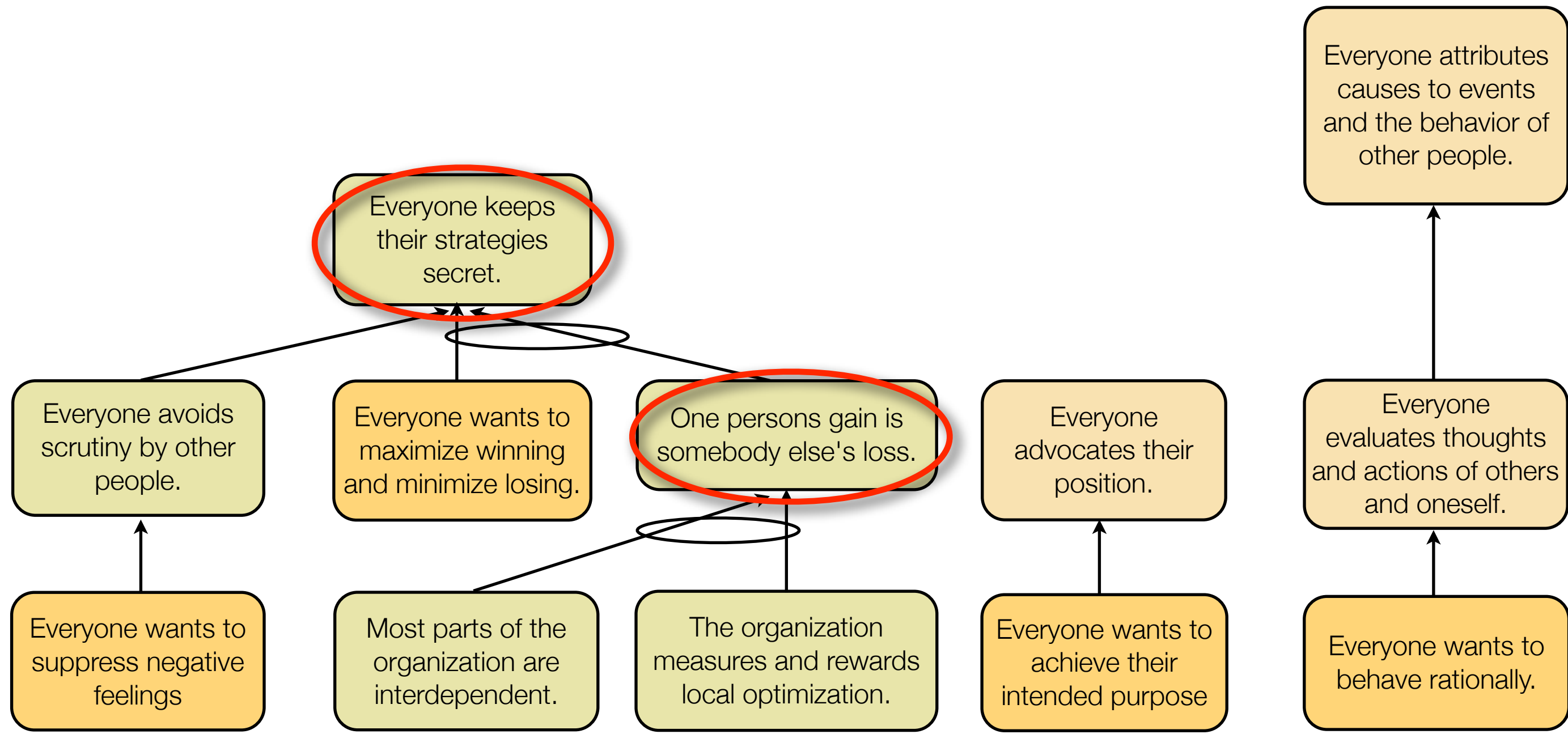
Here are some of the basic values most people have: We want to suppress negative feelings; maximize winning and minimize losing; achieve our intended purposes; and we do try to behave rationally, from our own point-of-view.



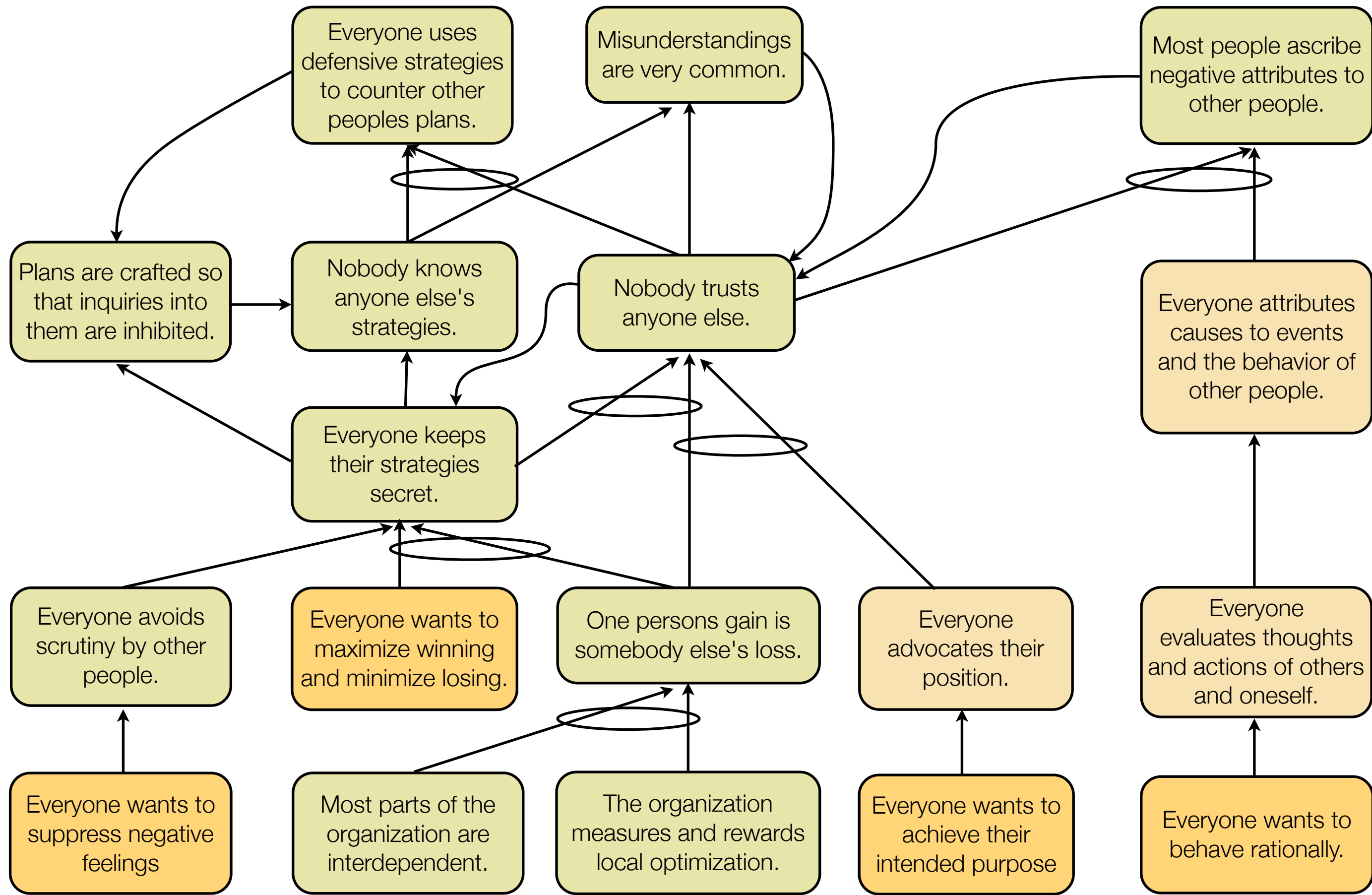
From our basic values we derive action strategies. For example we advocate our own positions and we evaluate the thoughts and actions of others, and of ourselves. Because we do this evaluation, we also attribute causes to events, and to the behavior of other people. I think you will agree there is nothing intrinsically bad about this, so far.



Here is where the trouble begins. We want to suppress negative feelings, and people in most organizations react negatively if we make mistakes. Thus we try to avoid scrutine by other people. In a modern organization, especially knowledge organizations, there is an incredible amount of interdependencies between the different parts. However, our reward and punishment systems, which are based on very old ideas, measure, reward, and punish local optimization without regard to the whole.



There are two important consequences:  
 \* We begin to keep secrets  
 \* One persons gain is very frequently somebody else's loss  
 Now the stage is set for...

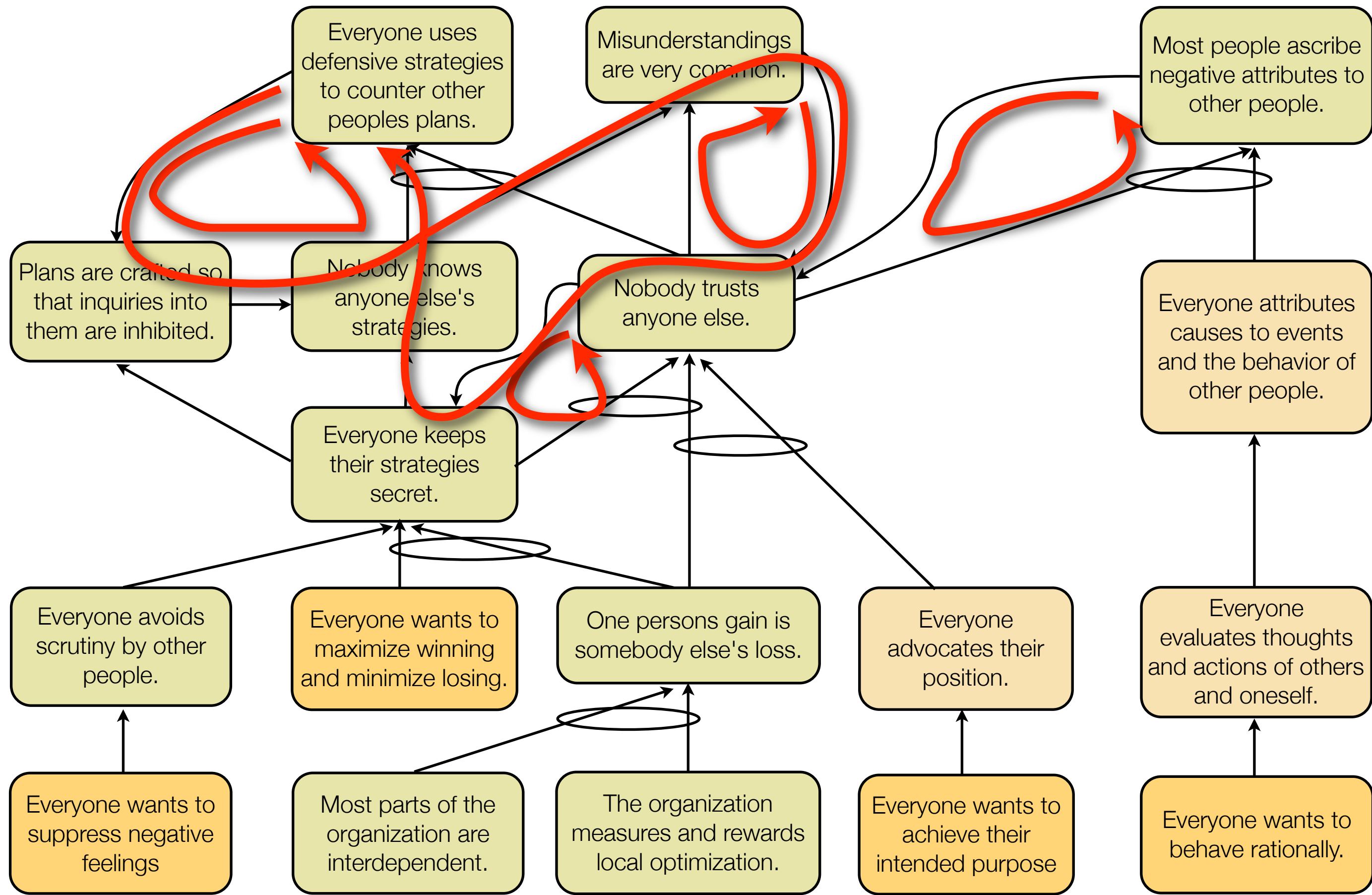


...this! A complicated mess of distrust, secrets, and deceit. Three things are worthy of note:

\* The system has several reinforcing loops, which makes it self-sustaining, even if the causes are somehow removed

\* We can find similar systems in other social contexts, such as families and schools. Thus, we are quite well prepped for this kind of environment by the time we get our first employment

\* It is learned behavior, so it can be unlearned, even though it is difficult

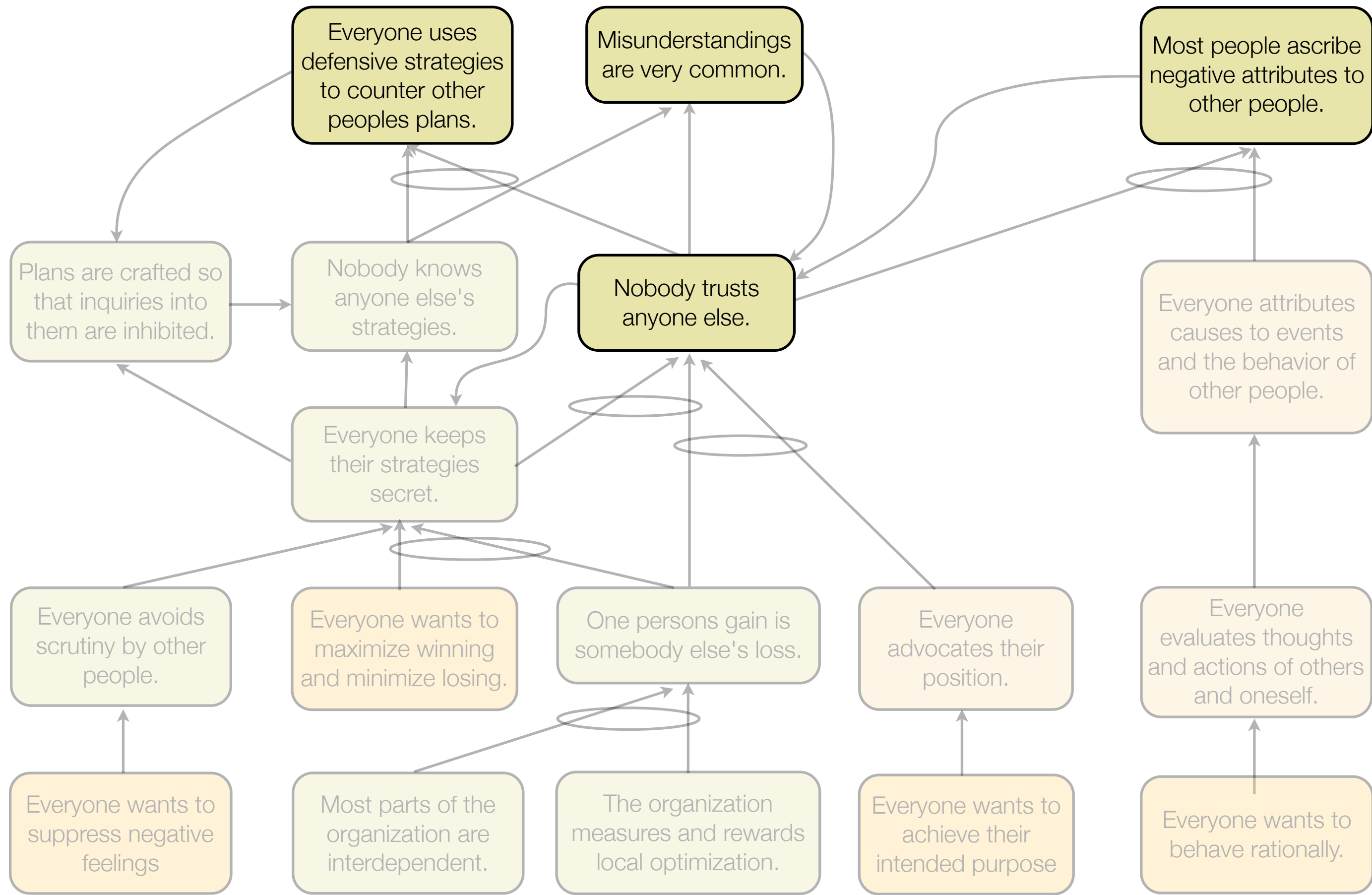


...this! A complicated mess of distrust, secrets, and deceit. Three things are worthy of note:

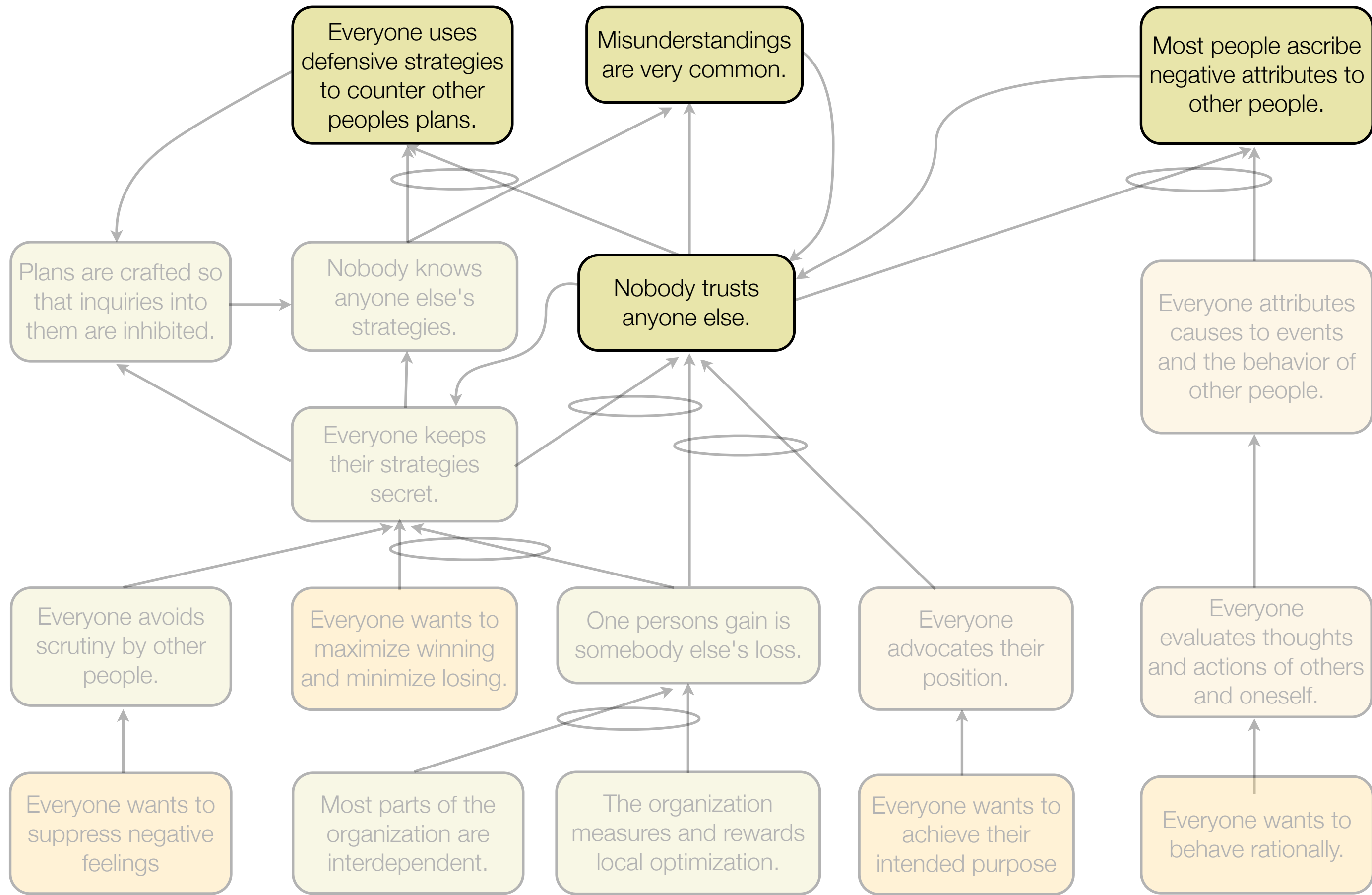
\* The system has several reinforcing loops, which makes it self-sustaining, even if the causes are somehow removed

\* We can find similar systems in other social contexts, such as families and schools. Thus, we are quite well prepped for this kind of environment by the time we get our first employment

\* It is learned behavior, so it can be unlearned, even though it is difficult



Let's look at the upper part of the tree: Everyone uses defensive strategies to counter other people's plans. Misunderstandings are very common; nobody trusts anyone else; and most people ascribe negative attributes to other people.



Everyone uses defensive strategies to counter other peoples plans.

Misunderstandings are very common.

Nobody trusts anyone else.

Most people ascribe negative attributes to other people.

Very few people are willing to disclose information about their part of the organization.

Everyone uses defensive strategies to counter other peoples plans.

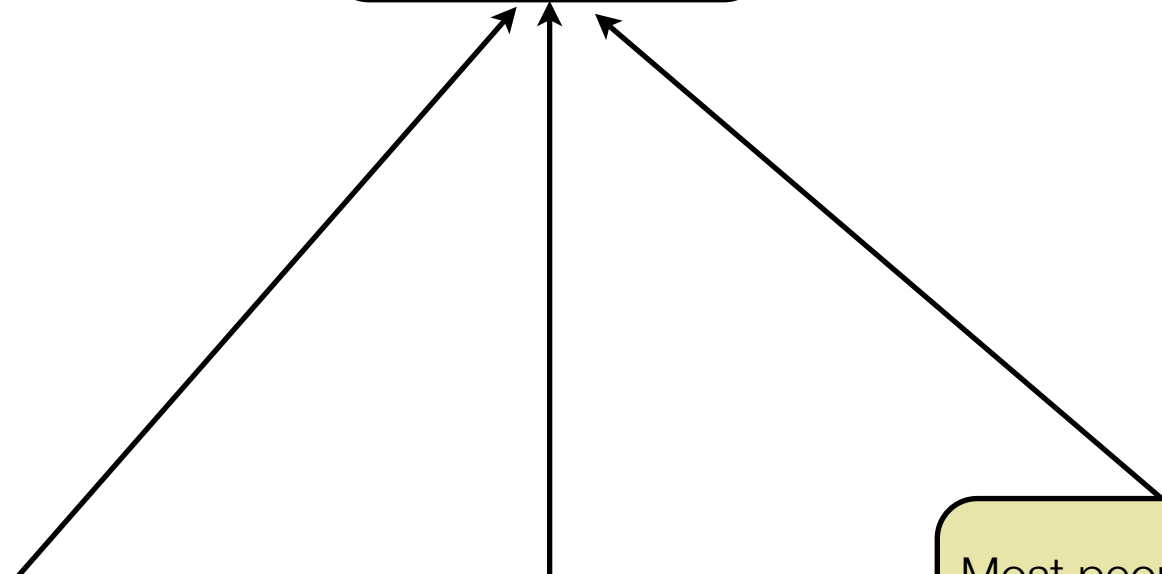


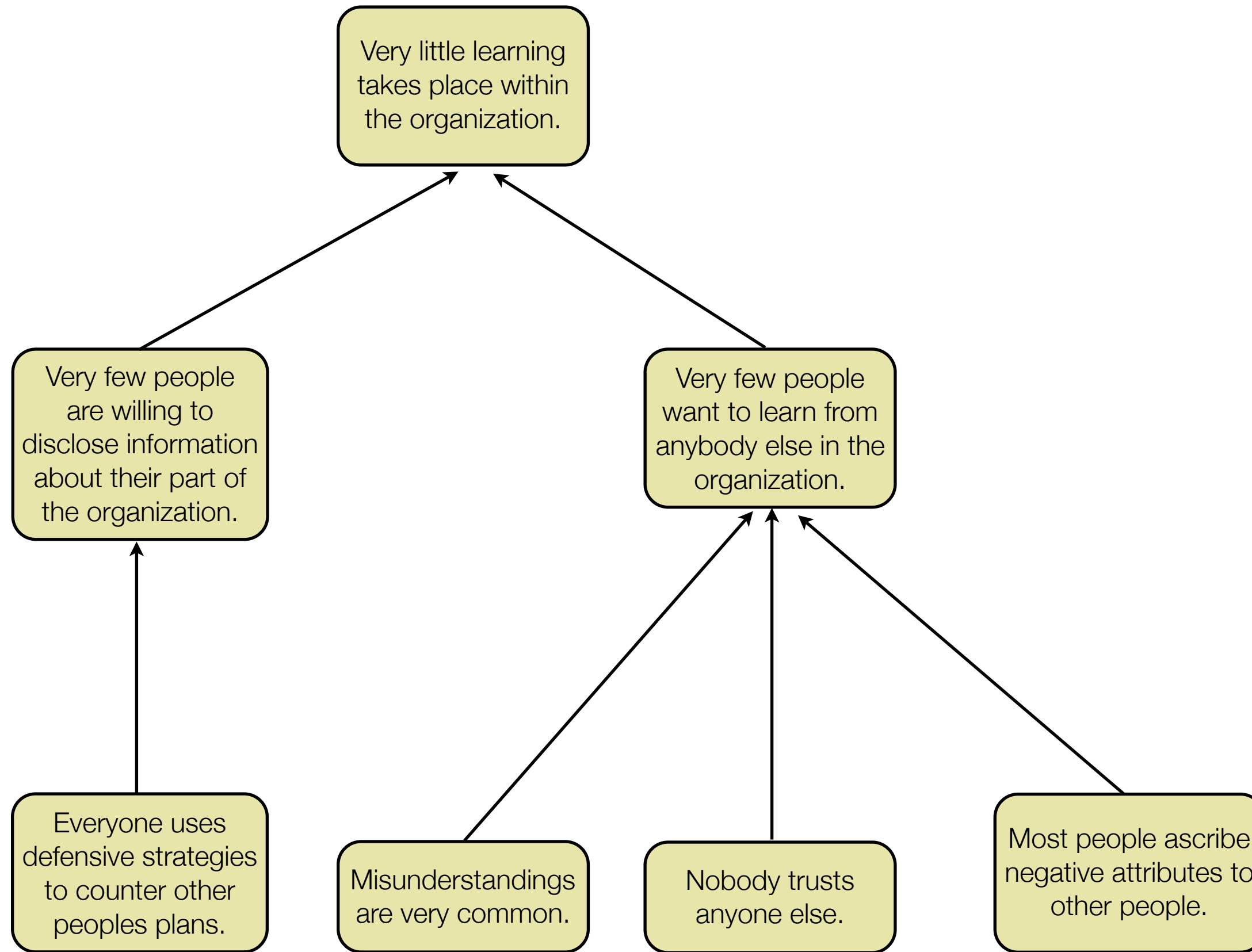
Very few people want to learn from anybody else in the organization.

Misunderstandings are very common.

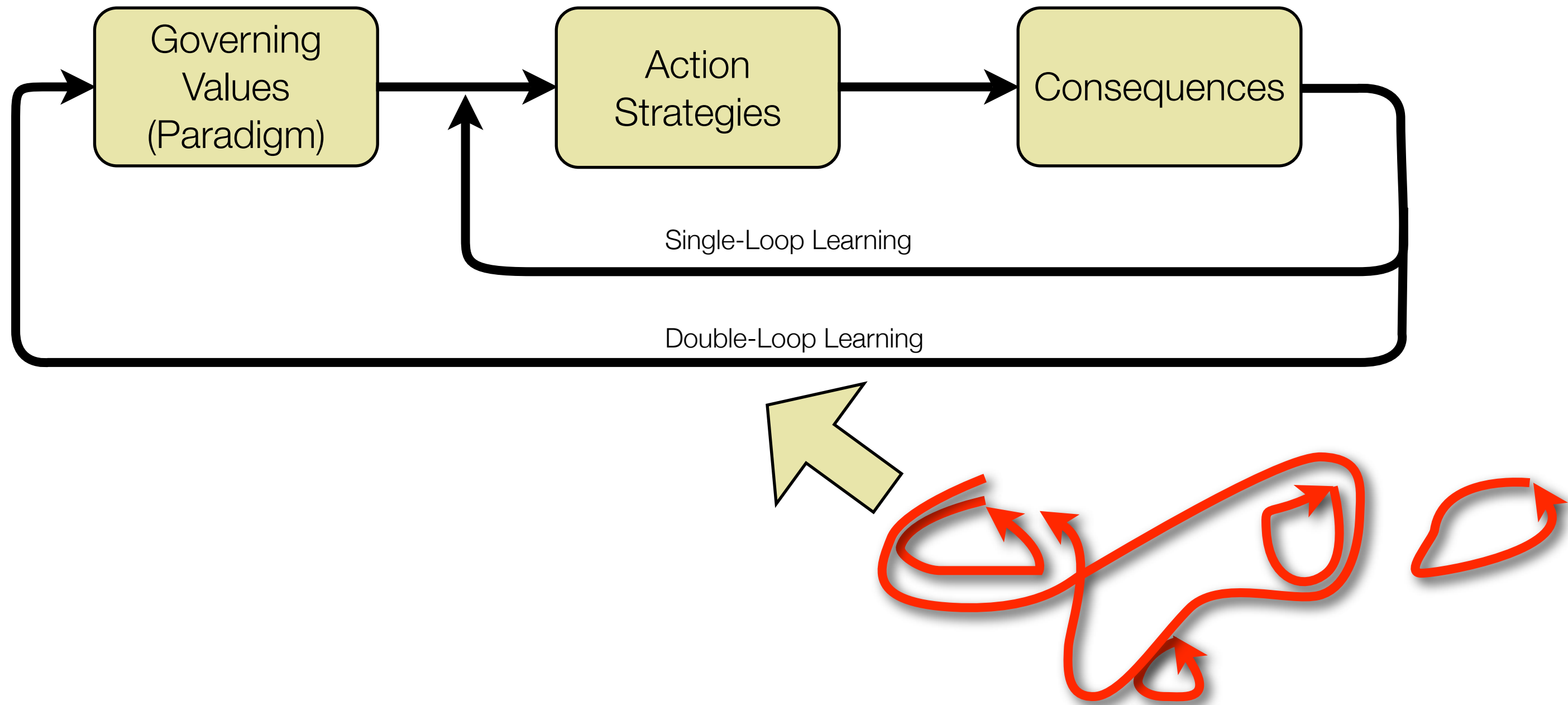
Nobody trusts anyone else.

Most people ascribe negative attributes to other people.

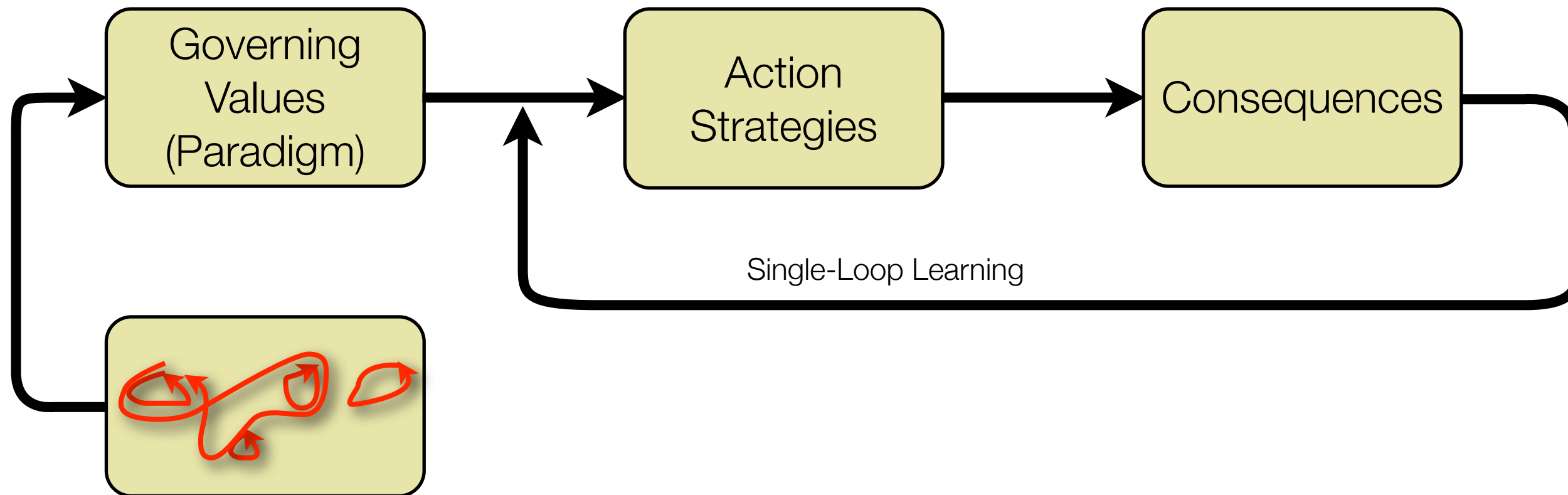




In an environment where there is distrust, frequent misunderstandings, and you just know other people are rather incompetent and stupid, you do not have much incentive to learn from them.



This brings us back to the double loop. We can still learn to improve our action strategies, within the framework set by our current governing values. The problem is that the reinforcing loops discussed earlier ensure that no matter what actually happens in our organization, the feedback message is always the same: Do not trust other people. They are out to get you! Because pre-emptive strikes are a viable defensive tactic, the message may even be correct. Just because you are paranoid, it doesn't mean they aren't out to get you.



In effect, the learning system turns into this.  
In the next episode, I am going to discuss how to make the outer loop work again. Be seeing you.

