

Transform Your Culture

Do it using action-learning teams



by Bruce LaRue and Robert R. Ivany

THE PARALLELS BETWEEN THE HIGHTECH battlefield and high-stakes business competition are striking. Combat units that rely on specific orders without the ability to improvise “on the run” rarely defeat their opponents. To cope, leaders need new strategic capabilities.

Action-Learning Teams (ALTs) are charged with generating new strategic capabilities that can’t be developed by other means, such as formal education or training. ALTs tend to be cross-functional, bringing together people with specialized knowledge in a form of “intellectual bootstrapping” to collaborate on solving real problems.

One aim of ALTs is to prevent people from behaving like automatons. They are not there simply to obey orders but to apply their skills, talents, and intelligence to meet a goal. Detailed battle plans and strategic planning are being replaced by “strategic intent.” We are moving away from over-defining objectives and the means of achieving them, toward providing clear parameters for the discretionary use of information to achieve objectives.

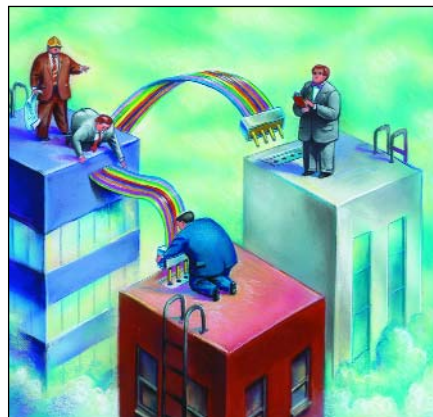
The ALT Leader

What culture and structure must leaders create to promote distributed intelligence and action learning? Effective ALT leaders have seven traits. They:

1. Build on the wisdom and insight of the team. In forming an ALT, the leader questions, probes, summarizes, and sets norms of behavior. The leader creates a space for the team to reflect and

assess the situation and various solutions, and not to become wedded to a particular course of action too early. Later, the leader brings together the ideas and learning of the team to a point of action, while encouraging the team to test and refine the chosen course of action based on its ability to achieve results.

2. Model the change they seek. The ALT leader must model the desired behavior and mind-set. Jim Collins’ description of the Level 5 leader in *Good*



to Great closely parallels that of an ALT leader: *Humility*—acts with quiet, calm determination and relies on inspired standards, not charisma, to motivate. *Professional Will*—is a catalyst for superb results. *Modesty*—is modest, does not seek public adulation. *Resolve*—shows unwavering resolve to produce long-term results. *Determination*—sets the standard in getting quality results. The more the leader models these behaviors, the more the ALT will adopt them.

3. Elicit high trust and respect by and for the team. High trust and mutual respect are hallmarks of ALTs. If team members fear reprisal, they won’t share their insights, thoughts, or criticisms freely, and the team will not achieve

desired results. Criticism should be framed in terms of specific, observable behaviors or actions, and not directed at people personally. Criticism should be reinforced with specific, constructive suggestions for future improvement.

4. Leverages ambiguity to drive innovation. Our natural response to ambiguity is to eliminate it. But ambiguity can be a powerful force for innovation if we embrace it. With ambiguity comes potential, possibility, and options for action. ALT leaders tolerate ambiguity in the early stages of a project, and resist premature closure on a course of action. Once a course of action is set, leaders must not become too wedded to their scripts in order to exploit opportunities.

5. Focus people through clarity of intent. Issue clear and concise statements of intent (or purpose) that give maximum freedom of action to others in terms of how to achieve the mission. Define no more than is necessary to launch an initiative or activity. Focus on facilitation and create “enabling conditions” that allow a system to find its own form. Operating units and teams must work within a sphere of “bounded” or “responsible autonomy.” Avoid the anarchy or free flow that arises when there are no guidelines, and avoid over-centralization when there are too many. Model how to cope in an uncertain world and how to leverage opportunity.

6. Adapt leadership style to the situation. There should be no prescription without diagnosis. Situational leadership helps us recognize that every situation is unique, requiring us to become aware of our biases, preconceptions, and prejudices as we encounter new circumstances. As leaders, we need to remain flexible to recognize and exploit opportunities as they arise.

7. Promote a culture of freedom and accountability. With freedom comes responsibility. Leaders define where we are going and what needs to be done, while giving flexibility to people as to how to achieve the intent. With freedom comes accountability for achieving

intended outcomes efficiently and effectively. So, people must clarify the intent of the leader, the boundaries within which they must act, and how their actions fit within the strategic intent. Knowledge workers must be managed like volunteers. We can command compliance; commitment is voluntary.

ALTs and the 7E7 Dream Liner

The new Boeing 7E7 Dream Liner is slated for delivery in 2008, and Teague, a leading-edge industrial design firm, is using ALTs to bring innovation and comfort to the interior of this long-range passenger aircraft. With incredible competitive pressure from Airbus, Teague's goal is to deliver a superior experience for passengers in a concept jet to be unveiled in June 2005. Rather than organizing along traditional functional lines, Teague is bringing together designers, engineers, assembly workers, vendors, flight attendants, service personnel, and its client, Boeing, to create one cohesive ALT.

The goal, says Program Manager Wayne Yutani, is to "ensure that all functional groups share a common 'strategic intent' and then act in concert

to create an unparalleled experience for passengers. No traditional training could prepare our team for this complex initiative." Instead, facilitation is coupled with action learning to develop the requisite capabilities. This way of working does not come naturally to a team of specialized knowledge workers. But because tactical decisions have strategic consequences, individuals are learning to see their roles in the context of the whole initiative, and to act accordingly.

ALTs in the U.S. Army

Perhaps the least likely place in which we would expect to find vigorous ALTs is the U.S. Army. The army has the reputation of being conservative, hierarchical, and bound by tradition. Yet some of the most impressive recent cultural and operational changes have come from the uniformed ranks.

How did an organization regarded as ponderous and reticent to change become fast and flexible? Investment in people and technology was essential, but often overlooked is the transformation in the way the army conducts its business—in short, its culture.

The Army War College developed an acronym to describe the new situation: VUCA—volatile, uncertain, complex and ambiguous. No training manual can prepare people for the challenges they face. Training programs must teach them how to use the latest technology and think through unforeseen developments and hidden opportunities.

Leaders who were "fighting according to plan" instead of allowing people to make timely decisions suffered embarrassing defeats.

What was needed was an effective process to translate the lessons learned into tactical changes. As a result, the army's own ALT process emerged in the form of the After Action Review (AAR). After each operation, the leaders of the unit and its members review the objectives, what happened, what went well, and what did not.

Action learning can become the catalyst for a transformational change. **EE**

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