

Ford's Flexible Strategy for Introducing Organizational Learning by Ann-Marie Krul and Don Mroz

From 1995 to 1997, the Ford Process Leadership Office's Organizational Learning Team introduced organizational learning as a facilitation tool for major reengineering projects, based on a dynamic, adaptable strategy. We used the work of Margaret Wheatley (self-organizing systems) and Dee Hock (chaordic organizations) as a foundation for this approach, which involved creating a safe environment for experimentation and learning.

To gain credibility, we sought to leverage existing practices that we thought fit well with organizational learning principles. We also linked our efforts to important, real-life business challenges. In addition, we avoided "selling" the five disciplines to employees, but rather invited people to participate in the learning process and provided assistance to those who requested it. In the end, many employees did not see our efforts as an explicit "strategy" for introducing organizational learning—which helped us gain greater acceptance for these concepts and tools.

In this article, we share an approach for introducing and using organizational learning principles, tools, and methodologies that has produced positive results for Ford Motor Company. We hope that others will experiment with our learnings, add to them, try different approaches, and build new strategies that work for their organizations.

Background

Ford Motor Company's experience with organizational learning began in the late 1980s, with Peter Senge and Russ Ackoff's participation in a senior executive training program. Some executives then took the work to the next level, integrating organizational learning concepts and tools in their business units. Pockets of practice formed in different areas of the company around these leaders.

During the next few years, numerous employees participated in the MIT core course in organizational learning and in other training offered within Ford. Application of the material ranged from small team efforts, to a vehicle program team involving hundreds of people, to a divisional venture comprising several thousand workers. The Electrical and Fuel Handling Division (EFHD) undertook one of the most successful and sustained organizational learning projects (see "The Organizational Learning Goal at Ford's EFHD," V7N4). By the mid 1990s, groups of practitioners and leaders were applying learning theories, methods, and tools to realize business goals. For instance, Visteon Automotive Systems, an enterprise of Ford Motor Company, is now applying many of the lessons learned during the EFHD project.

Launching the Manufacturing Project

With the inception of Ford 2000—a corporate initiative to make Ford the leading automotive company in the world—the Process Leadership Office was formed to take an enterprise-wide view of the business and help transform its major processes. In late 1995, Process Leadership appointed an Organizational Learning (OL) Team to apply these concepts to major reengineering projects, focusing first on manufacturing. Managers in this area believed that organizational learning could enable plants to implement new production techniques and create effective work groups by practicing methods and tools that fostered open and honest communication.

The OL Team consisted of four people, and had strong, visible sponsorship from the vice president of Process Leadership. This support was key in legitimizing organizational learning throughout Ford. We also had substantial resources in the form of seed money to help groups implement organizational learning; executive support from leaders throughout the company; access to the Organizational Learning Center at MIT (now the Society for Organizational Learning); interaction with local academic institutions; and a powerful network of external and internal practitioners and capacity builders.

A key part of our approach was building capacity through partnerships—some formal, others quite informal—with universities, community colleges, and external consultants. These relationships provided a forum for experimenting with curriculum offerings and new ways to deliver organizational learning material. We consciously linked research, capacity building, and application, following the three circles developed by the Society for Organizational Learning (see "From Fragmentation to Integration: Building Learning Communities," V8N4).

The Formal-Informal Strategy

We began our work by expanding the OL Team to include the organizational learning managers from Human Resources and the Electrical and Fuel Handling Division. We then created the following strategy:

- Implement a "formal-informal strategy" to support interested individuals and groups—informal in that we sought to pull in those who were predisposed to this kind of work, and formal in that we then provided them with tools and training.
- Seek opportunities to engage the manufacturing leadership, reengineering team, and plants in creating a shared understanding and coordinated plan to implement the reengineering project. Foster genuine commitment by co-creating the learning effort with managers.
- Focus on the systemic understanding of the manufacturing reengineering project (that is, the "why" and high-level "what's") to complement the comprehensive reengineering training (the "how's").
- Ground the learning effort in explicit business goals.
- Don't "sell" the organizational learning initiative; rather, let people make an informed choice about participating in the effort. Avoid becoming "another corporate initiative"; go for commitment rather than mere compliance.
- Use the five disciplines as a common language and framework for teams to enhance their effectiveness.

- Leverage external expertise to provide strong support to teams, achieve quick successes, and build internal capacity. Identify people who can become internal coaches to sustain the effort beyond its initial phase.

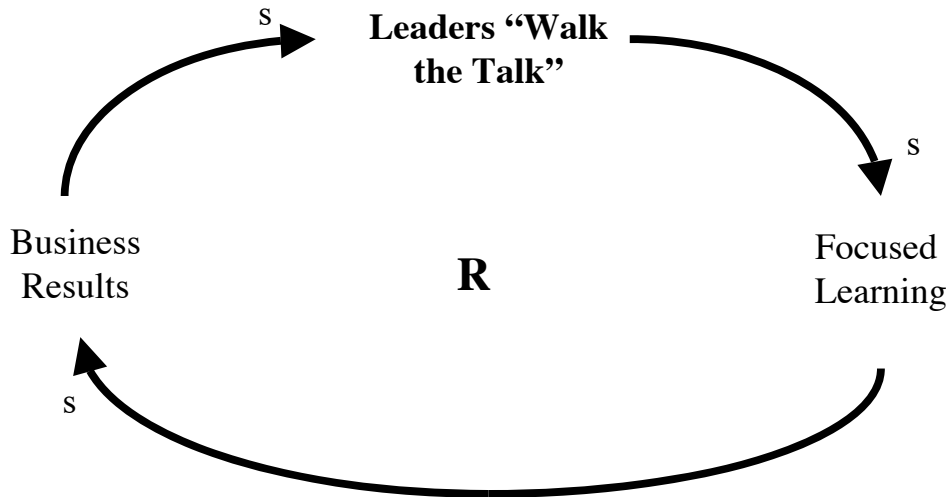
Working with the Plants

With a strategy in place, the OL Team chose six plants to partner with initially. Two plants that had previously started learning efforts on their own became part of our developing network, serving as a resource for the other plants.

We began our work with the plants by designing "learning labs"—interactive workshops that focused on the plants' business goals. We partnered with an outside firm to develop a system dynamics simulation to help people gain a systemic understanding of the manufacturing reengineering project. This learning tool showed how systems thinking principles could help people implement lean manufacturing practices. This tool was used primarily by plant managers and their management teams within learning labs where the 5 disciplines were introduced and practiced.

The OL Team also gave the plants seed money; one plant used the funding to produce a learning history. In addition, we facilitated communication among the participating plants and other organizations through tools such as dialogue and causal loop diagrams to help them better understand their current reality and align their efforts. The plant managers also knew they would need to "walk the talk" if they expected employees to get involved in implementing organizational learning (see "Walking the Talk"). To that end, five members of the manufacturing leadership attended the Organizational Learning Center's Executive Champion Workshop.

Walking the Talk



As leaders increasingly “walk the talk” in support of organizational learning concepts and tools, Workers’ learning rises. Enhanced learning then leads to an improvement in business results, Which reinforces leaders’ efforts to implement the principles of organizational learning.

Most plants worked with two external learning coaches. One learning coach from a U.S. plant partnered with local facilitators to help a European plant apply organizational learning methodologies. The need to train more learning coaches became critical as requests increased for support in implementing organizational learning. In response, 23 participants completed a 25-day coaching program that focused on a deeper understanding of the five disciplines. In addition, more than 20 people attended a workshop on the principles and key characteristics of learning histories and collective reflection skills.

As other parts of the company became aware of the manufacturing initiative, additional groups—including purchasing, product development, and information technology—requested support in implementing organizational learning. Because of the formal-informal infrastructure,

which relied on local initiatives, the small OL Team was able to support a wide range of projects and more than 15 different groups.

Documenting Learnings and Results

Many teams documented their experiences with implementing organizational learning. The material included interviews, causal loop diagrams, and feedback forms capturing individual and collective reflection—all of which described the business impact of the learning applications. The documentation was key, because it gave us data to judge whether the implementation strategy was working, and it provided other groups with resources they could learn from (see "Key Learnings").

According to this documentation, the organizational learning and reengineering effort yielded the following results:

- Dramatic quality improvements
- Enhanced understanding of current reality
- Improved management and union communications
- Stronger working relationships and a spirit of cooperation
- More open and honest communication
- Deeper understanding of important issues
- Less blaming behavior and greater understanding and collaborative problem-solving
- New ways to address complex issues

Because of these accomplishments, five additional plants and other reengineering teams have initiated learning projects. Also, some of the participants in the coaching program have assumed active roles as learning facilitators within other divisions of Ford.

Key Learnings

We believe that other companies can learn from our efforts. Therefore, we offer the following guidelines from our experience.

- **Ground the work in one or more important strategic initiatives within the organization.**

Although it is useful for everyone in a company to know and live the five disciplines, this work ultimately must create value for customers, employees, and shareholders.

- **Don't do this work alone!** Form partnerships early on, so everyone participates in each step, from design to implementation. Partnering can greatly benefit both the change effort and the organization.

- **Promote the work through invitation.** Do not "roll out" organizational learning strategies and tools to everyone at once. Rather, introduce the concepts as part of a business initiative; people will accept the ideas more easily and will learn about them out of interest or necessity.

- **Be flexible concerning how people participate.** People learn in different ways, at different times, and at different rates. Therefore, offer a variety of ways for them to get involved. Some may benefit from formal training; others may prefer to acquire new skills while implementing organizational learning tools in their work.

- **Recognize both formal and informal leaders, and don't overlook sponsorship.** The most effective leadership comes from informal leaders within the organization. Because they may take great risks to do business in new ways, sponsors should be credible leaders who will stand up for what they believe.

- **Provide practice fields.** Give people the opportunity to practice the new tools and techniques in learning labs or in learning forums where individuals come together to discuss and rehearse different approaches. The environment must be safe and must allow for mistakes and failures as well as successes. Practice makes a real difference in both behavior and work outcomes.

- **Hold true to the quality and integrity of the effort.** Be alert for people who use the terminology but not the tools. Draw their attention to this lapse from a perspective of learning, not punishment.

- **Be creative and use many different strategies.** Focus on generative learning across organizational boundaries. The OL Team used numerous strategies when implementing these concepts, which we continue to alter as we learn more. We keep the five disciplines as the foundation for our work, but we've also implemented learning histories, lessons learned, benchmarking, and learning forums.
- **Build capacity along the way.** Provide interested individuals with the knowledge and skills to use this material in their everyday work. Leverage external resources along the way, for experts can provide a fresh perspective and contribute to new theories and practices.
- **Remember that this work is relational.** Remember that you are trying to build good relations, which will in turn help you improve the quality of your thinking at work. The goal is to learn and share, which people can do only if they respect one another.

Questions for Further Inquiry

We believe that true wisdom lies in the question and not necessarily in the answer. Our efforts have raised many provocative and valuable questions, some of which we've listed below. In our view, these questions are relevant for other organizations and have the potential to inspire further inquiry and learning. You don't need to come up with answers to these queries for them to be of value; as one of our colleagues states, just let them flap in the wind for a while, like letting your laundry hang out to dry. You'll be surprised by the quality of the thinking that can emerge!

- How do we build community in an organization that is profit-driven?
- How do we handle the issue of scale (moving from implementing these principles in 10 manufacturing plants to 180)?
- What is the role of leadership in this kind of effort, particularly if the philosophy is to let people make their own choices about their involvement?

- How do we sustain these efforts in a culture where there is high management turnover?
- What do people need for personal and professional effectiveness?

This "flexible strategy" allowed us to build upon existing efforts and introduce new learning approaches and practices. As a result, we believe organizational learning practices will live on in Ford and avoid being seen as one of many short-lived corporate initiatives.

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