

ACTION LEARNING AND LEADERSHIP

Michael J. Marquardt

Need for a New Way to Develop Leaders

Action learning has quickly emerged as one of the most powerful and effective tools employed by organizations worldwide to develop and build their leaders. Companies such as Boeing, DuPont, Motorola, Alcoa, and Nokia have recently turned to action learning as to solve their critical, complex problems as well as to grow the competencies and attributes needed by their leaders if they are to succeed in the 21st century.

What has become increasingly clear to almost every organization is that our new century demands new kinds of leaders with new skills. Leadership styles and skills that may have worked in a more stable, predictable environment of the 20th century will be inadequate in this new era of uncertainty and rapid change, where we can hardly define the problem, much less engineer possible solutions.

Although many organizations continue to use a variety of ways to prepare their leaders (e.g., traditional training programs or business school courses), they recognize that the results are both slow and highly unsatisfactory. Why? The main reason appears to be that most management development focus on isolated dimensions of managerial work -- the personality of the leader, professional competence at specific tasks, or competence in dealing with the organization's culture and environment.

Leadership development, as practiced by most corporations and institutions of higher learning, according to Dilworth (1996) "produce individuals who are technologically literate and able to deal with intricate problem-solving models, but are essentially distanced from the human dimensions that must be taken into account." They may be good at downsizing and corporate restructuring, but cannot deal with a demoralized workforce and the resulting longer-term challenges. These so-called development programs provide excellent technical skills, but the "social and interpersonal aspects of the organizations that largely create the dynamics of corporate culture are left unattended." (p. 49)

On the other hand, action learning derives its power from the fact that it does not isolate any dimension from the context in which managers work. It develops the whole leader for the whole organization. It also recognizes that **what** leaders learn and **how** they learn cannot be disassociated from one another for how one learns necessarily influences what one learns.

In this article we will explore both what leaders need to learn to be successful in the 21st century and illustrate how action learning is ideally suited to develop these attributes and skills.

Leadership Attributes and Skills Required for the 21st Century

As one reviews a wide array of literature and statements of leading executives from around the world (Kanter, 1997, Spears, 1995, Rhinesmith, 1996, Kotter, 1998, Marquardt, 1999, 2000), seven attributes seem to have emerged as being essential for leading in the 21st century (see figure 7-1).

Figure 1 Seven Attributes for the 21st Century Leader

- Systems Thinker
- Change Agent
- Innovator and risk-taker
- Servant and steward
- Polychronic coordinator
- Teacher, mentor, coach and learner
- Visionary and vision-builder

Let's examine each of these attributes and look at how action learning can be used to develop them.

1. Systems Thinker

Today we are living in an age of intensive global interdependence, one where the old Newtonian way of seeing the world no longer fits. Building on the new quantum physics of the 20th century, a new model emerges where the whole "organizes and even partly defines the parts." Within organizations, the new framework requires that we pay attention to the relationships between people, to the validity of each person's unique reality, and to the multiple creative possibilities that exist at any moment in time.

Effective problem solving requires the ability to be a systems thinker. Senge (1990) and others have forcefully illustrated the critical importance of this attribute for any leader. Systems thinkers have the ability to see connections between issues, events and data points, the whole rather than its parts. Systems thinking requires the ability of framing structural relationships that result in dynamic networks as opposed to staid, patterned interactions or relationships predicated on one's position in the hierarchy.

Isaacs (1993) rightly notes that leaders in today's world must shift their perspective from mechanistic and reductionist ways of thinking and action to one which encourages attention to the whole. Since the 17th century, managers have operated on the premise that analysis of single parts will give understanding of the whole. This was the basis of Newtonian physics. Hobbesian policies and Adam Smith's free market economics took their lead from this mechanistic approach, and Taylor's scientific management stressed internal competition, control, predictability and relativity.

Leaders in today's organizations must help people see the big picture with the underlying trends, forces and potential surprises. They need to think systematically and be able to foresee how internal and external factors might benefit or destroy the organization. The ability to decipher and analyze massive amounts of sometimes-contradictory information demands patience and persistence. Some key elements needed to accomplish this way of thinking include:

- Avoiding symptomatic solutions and focusing on underlying causes
- Distinguishing detail complexity (many variables) from dynamic complexity (when cause and effect are distant in time and space, and when the consequences over time are subtle)
- Seeing processes, not snapshots
- Focusing on areas of high leverage
- Seeing interrelationships, not things
- Seeing that you and the cause of your problems are part of a single system

How action learning builds leaders to be systems thinkers

Action learning is built around a diverse group of people (whole systems) asking new and fresh questions so as to gain a full picture of the problem and its context before attempting to solve it. Questions that focus on examining underlying causes and long-range solutions, that seek to provide the greatest leverage, that recognize that importance of relationships and one's own role in problems and solutions, these are the core the questions asked in action learning. Reflecting on how to make connections, on how to analyze seemingly contradictory data, on how to seek new possibilities rather than old answers are inherent parts of the action learning process. During action learning sessions, participants learn how to think in a systematic way and how to handle complex, seemingly unconnected aspects of organizational challenges.

2. Change Agent

Kanter (1985) has long been a prophet relative to the crucial importance of leaders to be change agents, that all leaders must develop an understanding

and high degree of competence in creating and managing change so that their organizations can survive. Wheatley (1992) notes how change is the essence of the new global environment, and new leaders need to have the to order, not control, chaos.

Since change is the function of leadership, being able to generate highly energized behavior is important for coping with the inevitable barriers to change. Just as direction setting identifies an appropriate path for movement and just as effective alignment gets people moving down that path, successful motivation ensures that they will have the energy to overcome obstacles. (Kotter, 1995)

How action learning builds leaders to be change agents

McNulty and Canty (1995) remark how action learning: “develops the ability to create change and not be afraid to do so. It enables members to see and understand the concomitant change that is happening inside themselves so that they can do it again with ever greater facility” (p. 57). Iyer (1989) adds that “ the action learning process is founded on the concept that one cannot change the system unless one is changed in the process. The change in the system is “action.” The change in the individual is “learning” so that learning to act effectively is also learning how to learn effectively

3. Innovator and Risk-Taker

21st century leaders must be willing to take risks, for only through risk-taking can opportunities for creativity arise (Morgan, 1993). Although everyone is encouraged and expected to be creative, it is the leaders who can best create this environment, who can challenge the old ways, who can encourage risks as well as protect and encourage those whose risks have not been successful.

Leaders should continuously look for “white-space opportunities - i.e., new areas of growth possibilities that fall between the cracks because they don’t naturally match the skills of existing business units. They must look for tangible corporate goals or destinies that represents a stretch for the organization.

Oftentimes, new ideas are not allowed to occur in an organization as they might conflict with existing, established, mental models or ways of doing things. The new leader has the task of confronting these existing assumptions without invoking defensiveness or anger. He or she must be able to surface and test the mental models and basic assumptions of colleagues.

How action learning develops leaders to be risk-takers and innovators

Action learning enhances the ability to think in new and fresh ways about existing reality and problems via critical reflection, reframing, and context shifting. Marsick (1982) states, "the capacity to dig below the surface layer of perception and examine taken-for-granted assumptions and values is necessary in order to determine whether or not one is addressing the right problem. The inherent synergy of "comrades in adversity" results in new, fresh questions and generative creativity. Risk-taking generates numerous possibilities and inspires meaningful action. Finally, members must take risks when being frank and honest in helping each other learn about themselves.

4. Servant and Steward

The words "servant" and "leadership" are usually thought of as opposites. When opposites are brought together in a creative and meaningful way, however, a powerful paradox emerges, a paradox that is critical for leadership success in the 21st century. Servant-leadership emphasizes increased service to others, a holistic approach to work, a sense of community, and shared decision-making.

The Servant-Leader concept was introduced in the 1970's by Robert Greenleaf, an AT&T manager for over 30 years. His essay on "The Leader as Servant" has sparked a radical re-thinking of leadership. Influential business theorists such as Senge, Vail, and Block cite this attribute as one of the most critical for the 21st century leader.

Great leaders, according to Greenleaf, must first serve others, and that this simple fact is central to his or her greatness. True leadership emerges from those whose primary motivation is a desire to help others. Serving others -- including employees, customers and community -- must be the number one priority. Servant-leadership emphasizes increased service to others, a holistic approach to work, a sense of community, and shared decision-making power.

Servant-leaders must be willing to suspend their need for control. In order to process multiple levels of experience, they must be able to see their own values, backgrounds and experiences; and to recognize that thinking that one's own background or area of experience is superior to others can be a fatal flaw.

How action learning enables leaders to be servants and stewards

The learning coach/set advisor, in many ways, is a model of the servant-leader. The roles that are employed by the set advisor mirrors in a remarkable way the roles of the servant-leader, namely:

- creating opportunities for participants to find their own answers to problems and to learn from each others' perspectives, successes, and mistakes
- encouraging a climate where participants will both support and challenge each other
- refraining from displaying one's own knowledge and understanding
- challenging individual and group assumptions
- providing difficult feedback to members
- asking questions that assist participants in exploring the reasoning behind their assumptions
- acknowledging mistakes publicly and framing them as learning experiences

5. Polychronic Coordinators

21st century leaders will need to be able to manage and integrate many things at the same time, i.e., to be polychronic coordinators. They must also be able to work collaboratively with many others, often in unfamiliar settings on unfamiliar problems (quadrant 4 of action learning). They will be required to have the dexterity to focus on the big picture as well as the details. And while juggling 50 balls at one, the leader can concentrate on the one that is in his hand at the time.

Kiechel (1994) predicts that "tomorrow's managers will to be simultaneously and consecutively specialists and generalists, team players and self-reliant, able to think of themselves as a business of one and plan accordingly. The new leader is internetworked rather than a practitioner of the old-style, brilliant-visionary, take-charge approach. They will need to possess both analytic and strategic thinking skills.

In the changing organization with its increased use of project teams, managers will more and more likely be leading and coordinating 3, 5, even up to 10 different task-focused teams, each carrying out a variety of activities on totally different time schedules. The ability to quickly enter into and become a trusted partner of these teams is a taxing but highly important skill.

Similar to the conductor of an orchestra who enables each orchestra player to play his instrument more magnificently, the 21st century leader coordinates and empowers many people to perform their best. The leader utilizes a repertoire of

approaches and styles to track information, to polish products and services, and to energize people from within and outside the organization.

How action learning builds leaders to be polychronic jugglers

Through action learning, leaders recognize the importance of "carving new paths," of living in a state of constant inquiry. They recognize the importance of continually asking questions, gathering information, and analyzing the situation. Dealing with all these uncertainties is fraught with risks and a willingness to admit the things we do not know, something no one likes to do. Yet, it is when we are overwhelmed with possibilities and things do go wrong, these are the times when we achieve our greatest accomplishments. Revans cites how the great successes at the Cavendish Laboratory occurred when the scientists admitted and shared their "bloody ignorance." Handling problems and coordinating confusions is what leadership is all about and is what action learning develops in the sets.

6. Teacher, Coach and Mentor and Model Learner

Jacques (1986) asserts that leaders must have the "learning how to learn" skill, the opportunity to learn, and the capacity to learn. Marsick (1987) notes that top executives seldom take the opportunity to learn through organized learning programs, yet must continually learn to remain successful in their positions. Self-learning is critical to executive success. Dechant (1990) discovered in her research that the ability to learn might be the "most salient" competency for leadership. And no task is more important for the new leader than encouraging and inspiring learning!

Tichey and Cohen (1998) note "the scarcest resource in the world today is leadership talent capable of continuously transforming organizations to win in tomorrow's world." Thus, for companies to survive in the future, they must become not only learning organizations, but also teaching organizations. Everyone, especially leaders, must pass his or her learning on to others. In teaching organizations, leaders see it as their responsibility to teach, coach and mentor so that people throughout the organization are developed to efficiently and effectively apply knowledge to the business of the organization. Since learning is critical for the success of the business, leaders find ways for their people to do it every day.

Great leaders are great teachers and co-learners. Institutions that succeed over the long term do so because they continuously regenerate leadership at all levels (not just because of their core competencies or use of modern

management tools). 21st century leaders will thus be involved in building "information-structures" as well as infrastructures.

Leaders look for creative ways to find teaching and learning opportunities; they try to turn every interaction with their people into a learning and teaching event and often set aside time to teach leadership outside of scheduled activities. The leader should be a devoted learner himself, one who takes time to learn and demonstrates a love for learning. Practicing action learning, taking risks, seeking innovative answers, and asking fresh questions all exhibit solid learning practices and skills to employees.

How action learning develops leaders to be teachers, coaches, mentors and model learners

A primary focus of action learning is to learn and to develop the individual's, the team's, and the organization's capability for learning. All members of the set, not only the learning coach, are encouraged to assist fellow members in the learning process. Thus learning constantly occurs in action sets as members reflect on their thinking, their interactions, and their learnings.

Leadership coaching and enabling skills are continuously enhanced and developed in the set. Members help the client identify the true problem and assist him or her in developing possible actions to take in resolving it. They seek to empower the client to take "appropriate levels of responsibility in discovering how to develop themselves" (McGill and Beaty, 1995).

Mentoring is also developed in action learning sets through the process in which the members enable the presenters to work through their issues. As a presenter, the person also gains an understanding of what it is like on the receiving end of mentoring.

7. Visionary and Vision-Builder

Finally, the 21st century leader must be able to help build the company's vision and to inspire workers, customers, and colleagues. The leader must envision together with his or her fellow employees the type of "future world" the company desires, one that is exciting and challenging enough to attract and retain the best and brightest of know-how workers. To the extent that the leader is truly able to build a shared, desired picture for the organization or unit, to that extent that people are willing and committed to carry out the vision. Leaders should attempt to:

- Blend extrinsic and intrinsic visions

- Communicate their own vision and ask for support
- Encourage personal visions from which emerge shared visions
- Keep visioning as an ongoing process

Kotter (1996) makes the following distinction between the manager and the leader: "Leadership is about setting the direction, which is not the same as planning or even long-term planning. Planning is a management process, deductive in nature and designed to produce orderly results, not change. Setting a direction is more inductive. Leaders gather a broad range of data and look for patterns, relationships and linkages that help explain things. The direction-setting aspect of leadership does not produce plans; it creates vision and strategies. These describe a business, technology, or corporate culture in terms of what it should become over the long term and articulate a feasible way of achieving this goal."

The ability to conceptualize complex issues and processes, simplify them, and inspire people around them is essential for the 21st century leader. Charisma may be helpful, but it is much more important to lead through a caring confidence in the people for whom you are a "steward. Leaders create stories about the future of their organizations. These stories create a case for change, a vision of where the organization is going, and an understanding of how to get there.

How action learning creates visionary leaders

Oftentimes, action learning sets are challenged with a problem in which initially no one knows which direction to steer towards. Yet through the process of sharing "bloody ignorance," the group begins developing a vision of where they need to go to solve the problem. Ann Brooks (1998) notes how action learning builds leaders who "metaphorically speaking, have the capacity to find a new and better path through the jungle, rather than be the first one down a path that already exists" (p. 53). Learning how to conceptualize complex issues is a skill gained through action learning. Creating visions, particularly shared vision, occurs frequently in action learning sets as the members develop system-oriented, holistic resolutions to complex problems.

Trying to get people to comprehend a vision of an alternative future is also a communications challenge of a completely different magnitude than organizing them to fulfill a short-term plan. It is much like the difference between a football quarterback attempting to describe to his team the next 2 or 3 plays versus his trying to explain to them a totally new approach to the game to be used in the 2nd half of the season. Action learning gives people the skills of understanding and preparing such a vision of the future.

Action Learning Provides Real-Life Conditions Faced by Managers

In the real world of work, learning for most managers generally occurs from the process of doing a job. However, for most managers, learning is rarely identified beforehand as an opportunity, nor do managers know how to tap these learning opportunities.

Action learning creates the conditions in which managers learn from their own experience in a real-life problem, helped by and helping others facing similar situations. Developing the two key skills of problem-solving and personal development are part of the same learning process - in the sense of a manager actually changing the way he or she manages - is based on reality.

In action learning sets, managers submit their actions to the constructive scrutiny of persistent but supportive colleagues. Through this process of enforced self-revelation, managers are able to get in touch with why they say the things they say, do the things they do, and value the things they value. The managers also begin to transcend a self-image that is falsely built on the assumption that their actions are entirely congruent with their espoused intentions.

Action learning creates conditions in which managers learn from their own experience of a real-life problem, helped by and helping others in a similar or dissimilar situation. A manager actually changes the way he or she manages based on reality. The focus of action learning is on learning about the process of managing change by actually managing an organizational change. It stresses the importance of learning about self and the influence that our attitudes and assumptions have on how we lead and make decisions.

Mumford (1995) believes that action learning is so effective because it incorporates the following element necessary for training managers:

- Learning for managers should mean learning to take effective action; this is the focus of action learning. Acquiring information and becoming better in diagnosing and analyzing have been overvalued in traditional management development programs.
- Taking effective action **necessarily** involves actually **taking action**, not recommending action or undertaking an analysis of someone else's problem.
- The best form of action in order to learn is by means of working on a specific project or an ongoing problem that is significant to the managers themselves.

- Managers learn best with and from each other.
- As “colleagues in opportunity,” managers can share problems to take action on.
- In action learning, the people providing help are crucially different than inexperienced professors found in many management training programs.
- Rather than being taught through case study or simulation, participants in action learning learn from exposure to real problems and to each other’s insights.

Flexibility and Universalism of Action Learning “Courses”

Action learning can be effective in developing leaders in all fields of endeavors, in all cultures, and all levels because it is so flexible and adaptive. The process respects and builds upon each person’s independence and experience. It is less structured because it responds to the variety of managers and problems on which it draws. It has not syllabus of its own, no textbooks and few classrooms. It makes its own use of teachers and professional staff. It is a self-guided course of education which is unique to each manager and his or her problem, for “never again will the same problem with the same set of characters meet in history” (McNulty and Canton, 1995)

The questioning insight of action learning becomes a way of life for leaders who have grown and developed through action learning programs. Action learning graduates have a greater aptitude to listen, to negotiate, and to resolve conflict, to stand tall in the “face of change. This “habit of seeking insight” about oneself is the most basic source of learning for all leaders. Our character cannot be taught, but must be learned. Academic programs have difficulty in applying what is learned back at work. In action learning that lesson is learned as the program progresses.

Action Learning and Leadership Development at General Electric

Hundreds of organization around the globe, including Unilever, Skandia, BASF, Volvo, Johnson and Johnson, Asea Brown Boveri, BHP, and Singapore Airlines have incorporated action learning into all of their leadership programs. Perhaps the best known and longest-existing of all action learning-based leadership programs is that of General Electric.

Prior to 1986, GE's leadership programs consisted primarily of lectures, case studies, computer simulations and outdoor activities. Curriculum included modules on leadership, teamwork, global competition, and business strategy. The program ended with an integrating activity that synthesized these various themes. CEO Jack Welch soon recognized, however, that leadership learning was not sufficiently intense and impactful in developing the new GE leaders. GE therefore decided to move from a model that was based on individual cognitive learning to one that was based on action learning, involving real problems, real team challenges, and real risks.

GE leadership programs now have four key objectives – each of which were deemed as best achieved through action learning:

1. Enable participants to learn, apply and receive feedback on business concepts and skills applied to real GE business issues
2. Provide help on important issues to GE businesses
3. Help participants develop leadership and team skills essential to leading and working in high-performing, multifunctional business teams.
4. Assist participants in developing personal action plans for applying new business and leadership skills in their work settings.

Action learning teams are built around GE problems that are real, relevant, and require decisions. Formats may vary, but typically, two teams of 5-7 people who come from diverse businesses and functions within GE work together on the problem. Before the course begins, GE staff works with the businesses being studied to define the issues and compile a dossier of pertinent market, customer and financial information on each issue that the participants review as they begin the program.

The first week of the leadership program is spent in a variety of team building exercises as well as receiving briefings on the projects that the leaders will be involved with. During weeks 2 and 3, the teams begin developing plans, asking questions of key managers, and carry out a variety of diagnostic activities. In the final week, participants make their presentation to the business leader (client) who provided the project. At this presentation, the business leader brings along a team of key players who are involved with the critical issues of the project. GE builds into the action learning model opportunities for to reflect upon and receive feedback on leadership and teamwork.

A GE action learning project that was held in Heidelberg, Germany, focused on potential new GE markets in Europe. The first week was spent gaining an overview of GE operations in Europe. During the second week, the focus shifted to projects from GE's plastic, lighting, and electrical distribution and control

businesses. One action learning team looked at the lighting strategy for Europe, reflecting the sharp rise -- from 2 to 18 percent in only 18 months --in GE's share of the western European consumer lighting market, mostly resulting from the acquisition of Tungsram in Hungary and Thorn Lighting in the U.K. The teams were encouraged to be creative and think of serious ways in which GE could change the market and excite retailers and customers by finding new ways to add value. The participants traveled across Europe to conduct interviews, experience firsthand the effects of local culture, language, currency, legislation, and tax laws -- and consumer preferences for national brands. Between interviews, the participants debriefed each other and prepared their final reports to present to GE leadership, including CEO Jack Welch.

The Power of Action Learning in Building Tomorrow's Leaders

Action learning has the power to provide both the best content (what) and the best how (methodology) for building the vital attributes of leadership for the 21st century. Leadership is built on the premise and expectation of getting things done. To take effective action is an essential task. Action learning programs introduce real-life, real-time practice of those skills. And it focuses on the learner/leader, and not just the tasks to be undertaken by the learner/leader.

For over 50 years action learning has been employed to develop leaders all over the world. Leaders developed at the same time productivity and performance improved, be it in India or Israel, England or Egypt, Melbourne or Milwaukee. In all these and thousands of other places around the world, action learning has helped develop strong leaders who have made the workplace a learning environment where quality and success and joy abounds.

References

Dechant, K. (1990). Knowing how to learn: The "neglected" management ability. *Journal of Management Development* 9, (4), 40-49.

Dilworth, R. (1996) Action learning: Bridging academic and workplace domains. *Employee Counseling Today* 8, no. 6, 48-56.

Isaacs, W. (1993, Autumn) Taking flight: Dialogue, collective thinking, and organizational learning. *Organizational Dynamics*, 24-39.

Jacques, E. (1989). *Requisite Organization*. Arlington: Cason Hall.

- Kanter, R. (1985). *The Change Masters*. New York: Simon & Schuster.
- Keichel, W. (1994). A manager's career in the new economy. *Fortune*, 129, no. 7, 68-70.
- Kotter, J. (1996). *Leading change*. Boston: Harvard Business School Press.
- Kotter, J. (1998) 21st century leadership. *Executive Excellence* 15, no. 5, 5-6.
- Marquardt, M. (1999). *Action learning in action*. Palo Alto: Davies-Black.
- Marquardt, M. (2000). *Global leaders for the 21st century*. Albany: SUNY Press.
- Marsick, V. (1987). *Learning in the workplace*. New York: Croom Helm.
- McGill, I. And Beaty, L. (1995). *Action learning: A practitioner's guide*. London: Kogan Page.
- McNulty, N. and Canty, G. (1995). Proof of the pudding. *Journal of Management Development*, 14, no. 1, 53-66.
- Morgan, G. (1993) *Imaginization: The art of creative management*. Newbury Park: Sage.
- Mumford, A. (1995). Managers developing others through action learning. *Industrial and Commercial Training* 27, no. 2, 19-27.
- Rhinesmith, S. (1996). *A manager's guide to globalization*. New York: McGraw-Hill.
- Senge, P (1990). *The fifth discipline*. New York: Doubleday.
- Spears, L. (ed.), (1995) *Reflections on leadership*. New York: Wiley.
- Tichey, N. and Cohen, E. (1997). *The leadership engine. How winning companies build leaders at every level*. New York: HarperBusiness.
- Wheatley, M. (1992). *Leadership and the new science*. San Francisco: Berrett-Koehler.