

Learning Organisations

David Connell, David J. Connell & Associates

Today's business environment demands that we learn from our experiences. Learning, though, is not limited to individual employees. The organisation as a whole must become a learning system. This concept is growing in importance given the increasing complexity and uncertainty of the business environment.

Learning starts by asking simple questions. For example, how were sales last year? What surprised us? What did we do well? And by asking questions about the future: What do we expect over the next twelve months? Are there emerging trends we should plan for? Is now the time to introduce new products? Should we look for new markets?

If you are like most people, it won't take long to start feeling overwhelmed soon after you start asking the right questions. The growing list of things to do can be daunting. On the other hand, the prospect of increased sales and the challenge of new markets can energise entrepreneurial spirits.

The answers to these questions must not constrain your company's goals. Success is not measured by *what* a business owner or manager knows. Success comes from improving business performance. In a learning organisation, *how* the whole system learns is critical to improved performance.

How an organisation learns is often described as a living body. There is a constant influx of data, every 'cell' of the organisation acts like a sensor, and the flow of information is constantly circulating.

Creating a learning organisation, then, requires processes and procedures that promote and encourage the flow of information. More importantly, a company's values and culture must foster an attitude that seeks out and embraces new ideas, new information, and new technologies. As these elements come together, they become seamless. The elements are no longer seen as parts, but as a function within the whole system.

Peter Senge in his popular book, *The Fifth Discipline*, asserts that the leader's role in a learning organisation is to build a shared vision and to challenge the old ways of thinking. Senge argues that leaders are responsible for learning.

The importance of this remark, as Senge states, is that “the rate at which organisations learn may become the only sustainable source of competitive advantage.” Such a forecast gives cause to look closely at how we do business and to wonder, are we asking the right questions?

David Connell, B.Econ., B.Comm., M.B.A., is President of David J. Connell & Associates, a market consulting company based in Caledon. David has over ten years experience in marketing and business development.

www.djconnell.on.ca Tel.: 1-800-830-3552