



An OD Approach to Building Organizational Learning Capability

By Anthony J. DiBella

Developing corporations into learning organizations has become a focal point for many OD practitioners. This focus on learning is a natural one, since it extends OD's concern for continuous improvement — an essential part of total quality management — into a more comprehensive framework. It suggests that to be successful, firms should not only learn to get better at what they already do, they also should adapt to their environments in ways that may require substantial transformations in what they do. At base, the move toward learning organizations builds on the notion that, in a period of rapid change, organizations must continually adjust to different conditions such as technological innovation, new workforce characteristics, and changing customer needs or preferences.

Although OD's interest in the phenomenon of a learning organization is a recent development, organizational learning itself has been a topic of academic

research and writing for over thirty years. In this body of research, there is a lot of literature which identifies various aspects of an organization's learning practices. Unfortunately, this research stems from theoretical and practical concerns that, in many instances, differ from the dominant themes and values of the OD profession. Consequently, many of the more popular approaches to developing learning organizations stemming from this work are, in reality, inconsistent if not incompatible with the field of OD.

Consequently, the objective of this paper is to outline an approach to the challenge of building learning organizations that is consistent with the tradition and dominant principles of OD. To accomplish this objective, I'll delineate some of the underlying assumptions in the traditional/historical approaches to learning organizations and show how, in some cases, these approaches conflict with the values and assumptions

characteristic of most OD practitioners. Specifying the steps that would comprise a congruent OD approach to building a learning organization will then follow.

Building Organizational Learning Capability: Three Distinct Approaches

The possibility of organizational learning was first documented in the work of James March (March & Simon, 1958; Cyert & March, 1963), who considered organizations as information processing and decision-making systems. Learning in these types of systems was an outcome of creating, putting in place and applying the proper algorithm. With stable environments and clear performance measures, this approach reflected a "positivist" framework based on following the (correct) behaviors or routines. In essence, organization learning efforts were a prescriptive endeavor. For identification purposes, I've titled this approach to organization learning the "Normative" approach.

Most of the learning literature developed in the past ten years follows the Normative tradition. The basic difference between authors are in those elements or conditions that comprise their prescriptive algorithm. For example, David Garvin (1993), Michael McGill (1992), and Peter Senge (1990) each prescribe a unique mix of skills such as "systems thinking", "team learning", "creativity", and/or "experimentation". Regardless of the mix of skills demanded, each of these authors presume, as their starting point, the belief — or more properly stated, the assertion — that organizations have specific characteristics that inhibit learning. Given this fact, the key to building learning capability is overcoming these constraints. The task is putting the right conditions in place.

Another distinct stream of thought with regards to

how to develop learning organizations — which I've titled "Developmental" — is an offshoot of the "Stage Theory" of organizational growth. As Greiner and others have discussed, organizations develop over time, moving from one stage to another. This progression is the result of their age, size, experience, industry growth, or life cycle (Greiner, 1972; Cameron & Whetten, 1983). Inside this tradition, learning organizations are, in fact, simply one phase or stage of an organization's development (Torbert, 1994). An organization's learning processes and capabilities evolve as the organization matures; learning capacity varies by stage. Consequently, understanding learning capability in organizations requires an appreciation for the historical development of an organization and the processes whereby its learning styles evolved. For example, Kimberly (1980) argues that "learning from action" or

"inactive" learning (Weick, 1988) is more typical for organizations in their innovating phase, while "learning before action" or "proactive learning" (Kimberly, 1979), is more typical of an organization in its mature or routine phase.

The third approach to organizational learning that I've identified assumes all organizations naturally learn from experience (Child & Kieser, 1981). The development of learning capacity is automatic. I call this approach "Emergent". (Elsewhere referred to as "capability perspective" [DiBella, 1995, 1998].) As an organization solves its problems of survival, it naturally creates a culture which has become the repository for

lessons learned (Schein, 1992). It also, as it solves its survival problems, naturally creates core competencies; these competencies, of course, represent the organization's collective learning (Prahalad & Hamel, 1990).

At base, the move toward learning organizations builds on the notion that, in a period of rapid change, organizations must continually adjust to different conditions such as technological innovation, new workforce characteristics, and changing customer needs or preferences.

The "Emergent" approach assumes all organizations have "naturally embedded" learning processes. Indeed, all organizations learn. They may not learn at some expert-determined optimal speed, and what they learn may not be aligned with the strategic directions of the firm. But this does not negate the fact that learning of some sort is always taking place, naturally. Learning capabilities are presumed to be naturally present, emerging and developing as the organization goes about solving its survival issues. Thus, the critical problem is not how organizations can become learning organizations: In this model, the critical issue is understanding which learning abilities are already present.

For us, the important point to draw from this historical/conceptual review is this: Disciples of these three approaches naturally intervene in their client systems in ways that reflect their approach's underlying assumptions. Consequently, it's easy to see that, depending on the approach that's selected, the critical assumptions involved may or may not follow OD values. Some methods derived from the three approaches I've identified are uninformed by OD practice, and therefore are probably inconsistent with OD traditions.

Promoting and building learning capability in organizations means promoting change. In this context, OD practitioners have traditionally followed certain values and precepts when considering any form of change-inducing intervention. In particular, OD practitioners have valued the ability of individual workers — and their work teams — to understand and solve their own problems; in this light, the role of the OD consultant is to promote, not dictate, such processes.

In this light, the Normative approach can be especially incompatible with OD Traditions. This is true for two reasons. First, the Normative approach typically

prescribes "correct" interventions; learning practices are imposed. Second, a Normative consultant's focal point is on learning disabilities. Her or his first question is "What's wrong." Given this bias, there is a real danger of overlooking existing processes. Where the focus is on conforming to a prescribed template or algorithm, there is a danger of missing or undervaluing existing organizational capacities; and, if the focus is on externally generated solutions, there is a danger of getting internal stakeholders to recognize either their own problems or developing and identifying their own solutions.

Steps to an OD Approach

On the other hand, the Developmental and Emergent approaches to organizational learning described above are compatible with OD traditions. A distinctive OD approach can be sculpted from them.

In particular, both these approaches allow a consultant to recognize and respect the learning

efforts already present in an organization. The Development approach sees learning emerging naturally at specific stages. The Emergent approach sees learning as happening all the time. There is a difference here. Nevertheless, both see learning as an organic aspect of organizational performance. It is something that's either emergent or already present and, consequently, it's best to build upon what's happening rather than diagnose pathology.

Thus, either of these approaches can help an OD consultant build organizational learning capability through the following three steps:

1. Recognize and Appreciate Existing Learning Processes
2. Establish a Gap between Existing Learning and Strategic Learning Needs
3. Identify Actions to Enhance or Extend Desired Learning Capability

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Step 1.

Recognize and Appreciate Existing Processes

To claim that organizational learning has occurred in a given system, three distinct things must have taken place: First, new knowledge either has to have been created or come into the social system; Second, this knowledge has to have been received and disseminated; and Third, it has to have been used (DiBella & Nevis, 1998). To say that organizational learning has taken or is taking place requires all three outcomes.

The key point here is that unless available knowledge is shared, it remains the property of individuals, rather than the organization-at-large. If it's the property of the organization, it is publicly accessible and applied at some level.

To begin with, an OD approach to building learning capability needs a way of describing the learning processes presently active in an organization without being prescriptive. Fortunately, research has generated several methods for doing so. I think the work done at MIT in this arena presents the most complete framework: For example, in 1995, Nevis, DiBella, and Gould identified seven distinctive learning processes (Nevis, 1995). These seven processes were concerned with those practices by which an organization either acquired, disseminated, or used knowledge.

Nevis, et. al. labeled these seven processes "learning orientations", and suggested each of these learning processes should be thought of as composed of contrasting learning styles situated along a continuum. For each continuum, there is no right or wrong location; the simple fact is every organization has existing processes located somewhere along each of the seven continua. Within this framework, they suggested three important ideas. First, that within each of these seven learning processes, a given organization would have a natural proclivity. Secondly, at any given point in time, every organization would occupy a distinctive position along each continuum. Finally, that these "positions" — in aggregate — constitute an organization's learning style.

A very brief description of each of these seven

Learning Orientations follows. These seven Learning Orientations describe the critical dimensions around which organizational learning takes place.

1. **KNOWLEDGE SOURCE**
(internal external)
A preference for developing knowledge internally versus a preference for acquiring knowledge developed externally.
2. **CONTENT-PROCESS FOCUS**
(content process)
Emphasis on knowledge about WHAT products/services are versus an emphasis on knowledge about HOW these products/services are developed or delivered.
3. **KNOWLEDGE RESERVE**
(personal public)
Knowledge is possessed by individuals versus knowledge that is publicly available.
4. **DISSEMINATION MODE**
(formal informal)
Knowledge is shared in formal, prescribed methods versus knowledge shared through informal methods.
5. **LEARNING SCOPE**
(incremental transformative)
Preference for knowledge related to the improvement of existing capabilities, products or services versus preference for knowledge related to developing new ones.
6. **VALUE CHAIN FOCUS**
(design-make market-deliver)
Emphasis on learning investments in engineering or production activities ("design and make" function) versus Sales and Service ("market and deliver" functions)
7. **LEARNING FOCUS**
(individual group)
Development of knowledge pertaining to individual performance versus development of knowledge pertaining to group performance.

In effect, the composite picture these seven continua build offer the possibility of building a template that can be used to reorganize the learning activity currently taking place in an organization. These continua are descriptive, as opposed to normative in nature, thereby encouraging an appreciation for existing processes.

In an ideal world, firms would have existing capacity at all fourteen points on the continuum. Either that, or they would be investing in both poles of these seven continua.

In short, they either would be good at all fourteen approaches represented by the seven Learning Orientations, or they would be trying to get good at them.

Obviously, this is extremely rare. Most organizations have natural biases in each of the seven continua. Emphasis on a particular approach, for example, may reflect the vision of the founders of the enterprise. Or, the effort to build a business may be so highly focused that it drives learning in a certain area, while other aspects are given less attention. In other cases, experience over time shows that, for some organizations, one approach works better than others in producing an effective organization, and thus, in that organization, a preference emerges. Greater investment is made in what works, and a learning approach becomes institutionalized. For whatever reasons, there's more learning capacity in some ways or in some places or functions within a firm than in others. Once attitudes or values about what to learn and how to learn are established, they implicitly become powerful processes that guide managerial behavior.

Ideally, these learning orientations emerge as choices made in full awareness. More likely, they emerged unconsciously, becoming covert drivers of decisions. In either case, when it comes to building and/or enhancing an organization's learning abilities, it is not likely that learning capability can be developed without making these implicit, apriori values explicit and then examining them carefully. If learning values and

their consequences are understood, a choice can be made to accept and build on them, or to reconsider and build on others. This is the objective of Step 2.

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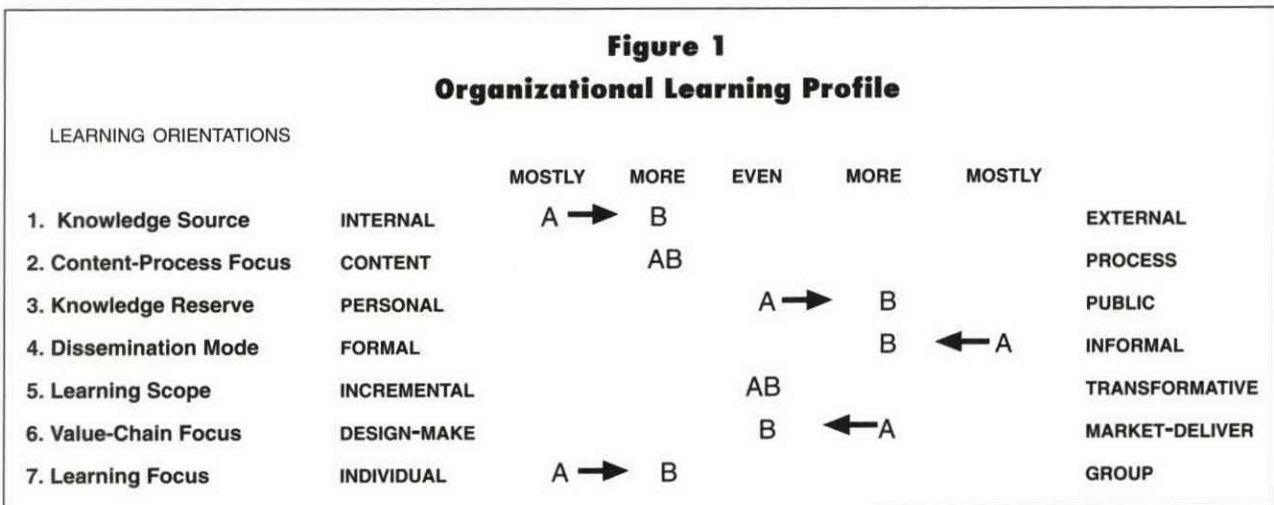
Establish a Gap between Existing Learning Processes and Strategic Learning Needs

To acknowledge and appreciate existing learning processes is empowering, but it's not sufficient to motivate change. What's needed is an awareness of a gap between the organization's current learning capabilities and the stake it's key stakeholders believe it should have. Awareness of this gap is what provides a basis for action.

In Step 1, diagnosing the existing preferences for learning through a study of the seven continua surface hidden processes of learning. In Step 2, to follow an OD approach to building learning capability, we need to promote a shared vision about desirable learning approaches and indicate a direction for change. To do this, we need a visual tool, an analytical framework that helps key people identify the company's strategic learning needs and priorities. Figure 1 contains the format for an "organizational learning profile" that serves these purposes.

Focusing a group's attention requires a clear framework that recognizes common concerns and builds consensus. The *learning profile* shown in Figure 1 depicts each Learning Orientation as a continuum of

**Figure 1
Organizational Learning Profile**



approaches and is a convenient way to focus a group, letting it represent its own data. Working together, members of an organization can use a "learning profile" to dialogue about what their organization's learning processes presently are. Their focal point is the fourteen different learning approaches represented through the seven Learning Organization continua. For example, groups can reflect on how or if they use knowledge from their own experience (*Internal Knowledge Source*) or search for the experiences of others (*External Knowledge Source*). Are they apt to learn about existing products or methods (*Incremental Learning Scope*) or prospect for new ones (*Transformative Learning Scope*)? Team members can depict their learning approaches as being towards one end or the other of each continuum. Where the emphasis is balanced, a midpoint location would be appropriate.

The starting point in these dialogues is identifying existing learning practices and processes. Once groups have depicted their current learning approaches, they need to consider whether those approaches serve their company's strategic needs. In other words, although the organization is learning, to what extent does the focus and content of that learning meet the performance pressures and environmental demands of the organization? Such a consideration is consistent with the principles of OD, since at a minimum it recognizes and builds on what already exists. Also the choice about shifting orientations is based on knowledge within the team or organization rather than on the basis of a consultant's prescriptions.

Building "strategic" learning capability means trying to align what a team or organization naturally learns with what its competitive performance or strategy

demands. Through the use of symbols, current(A) and desired(B) learning capabilities can be represented on a *learning profile*. For example, the organization depicted in Figure 1 is 'mostly' Internal with regard to Knowledge Source, but would like to incorporate learning practices that reflect more of an external approach. Hence the shift from 'mostly' to 'more' Internal. In two areas, Content-Process Focus and Learning Scope, the organization's current approach is the same as its desired approach.

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Step 3.

Identify Actions to Build Desired Learning Capability

An OD approach to organizational learning must elicit team member views about learning objectives and leverage points for change. Hence assessment and diagnosis become ways of learning about learning; the generation of insight and the sharing of information about learning are themselves interventions. This approach builds on the notion that recognition of what has been accomplished is validating and energizing for those involved, and is consistent with

appreciative inquiry, a consulting approach advocated by some change agents (Srivastra & Cooperrider, 1992).

By surfacing existing, although perhaps transparent capabilities, an OD approach empowers individuals to acknowledge the present and to use that awareness as a takeoff point for desired competencies. As Rouse (1996) points out, there is no better place to begin an intervention but by focusing on the current capability in the here and now. Preparing an OL profile is an intervention to uncover existing learning capabilities in organizations and to affirm rather than critique experience.

In the process of developing their profile of existing capabilities, groups inevitably discuss how that profile differs from what it may have been in the past, what they think it should be, and whether it may be shifting. This shared insight provides a starting point for groups to conduct action planning on ways to build learning capability. Once the gap between current(A) and desired(B) learning capability has been established, a group can identify initiatives that focus on strategic learning issues.

The key is to let the group's own knowledge about the potentialities and leverage points for change guide the action planning process. Instead of imposing a solution for developing learning capability, a facilitator would prompt groups to come up with its own problem definition (as reflected in the gap between the current and desired profiles [A vs. B]) and solution (action plans). In this way, the outcome will be a set of interventions that has group ownership and builds upon a group's own knowledge.

The data generated for points 'A' on the learning profile can be used to monitor a group's progress in building learning capability. In effect, the data at 'A' represent a benchmark or starting point prior to any change interventions. After a company or team has taken action, it can assess its progress by recreating new data points and seeing how they compare with the initial benchmarks.

In Conclusion: The Role of the OD Consultant

Given the widespread availabil-

ity of various normative learning organization models, consultants — whether internal or external — may find it easy to follow such prescriptions. However, OD consultants need to recognize that, underlying any normative prescription, is a set of theories defining what organizations are and how learning occurs. This is important because most OD consultants — rather than directing a client organization that wants to become a learning organization towards discrete prescriptive conditions or practices — work with a client to first uncover existent learning processes and treats such an

assessment as an intervention. The focus is to promote client awareness of what is and how that capability can be enhanced and aligned with strategic learning requirements. Tools like the 'Organizational Learning Profile' shown above generate such awareness. Clients can use the data portrayed on such a profile to build their own understanding of what it would mean to be a learning organization. Ultimately, it is the shared meaning given to a concept that makes it a powerful mechanism for change. (D)

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Becoming a “Worthy Organization”

*Attracting and Retaining
the Workforce Needed for
Success in the 21st Century*

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Much has been written in the past few years about the benefits of becoming an “Employer of Choice.”¹ Especially today, when unemployment figures are dropping and competition for top talent is heating up, becoming an Employer of Choice has become an increasingly popular recruiting strategy. Many organizations are making it a strategic priority.

As they do, these organizations are discovering that the rules for finding and keeping top people have changed. For example, these days, employers are discovering that many college graduates — even those in the top ten percent of their class — do not offer the background and range of skills needed. More importantly, they’re finding that their own workforces’ expectations of a “Job for

Life” in exchange for unswerving loyalty have gone the way of the slide rule and the three-martini lunch. In the 1990s, whether by choice or circumstance, workers have become more mobile than ever before. Faced with a seemingly unpredictable paradox of peril and opportunity, it has become standard practice for talented workers to keep their résumés updated and in circulation.

Not surprisingly, the new rules mean that the people most likely to leave their jobs voluntarily are those who can most easily find jobs elsewhere. Unfortunately for those corporations struggling to meet intensifying competitive challenges, this means the people most necessary for these companies’ future success — the most talented leaders, knowledge workers and revenue pro-

ducers — are the people most likely to walk out the door.

In this context, companies are no longer competing just for a larger share of the market. They now are also competing for talent. In this article, our intention is to discuss this issue, illustrate the direction this competition is taking, and describe what companies must do to succeed.

A Worker’s Market

In the 1980s, the traditional contract of “a job for life” was replaced in many organizations by “you’re lucky to have a job.” Social and economic conditions favored employers over employees. Employment, for all practical purposes, was an “at will” issue, and companies acted accordingly. Today, the pendulum has swung the other way. In the

1990s, the workplace has become a "worker's market." More and more (and more often), the best people have the "upper hand" and are exercising their right to choose the workplace in which they work.

To be worthy of that choice — in particular to be worthy of the professional skills, personal commitment, life-energy and talent that the very best people have to offer — we are discovering that organizations now must offer much more than just a paycheck. Our research is showing that, to their surprise and chagrin, organizations in search of the best talent are finding that today's talented workers, as always, are looking for a "good place to work." But, unlike in earlier decades, this phrase — "a good place to work" — is no longer a vague or vacuous homily that can be easily bantered about. For the best workers, this phrase means a place that doesn't just offer good pay and benefits; rather it is a place that, in addition, also provides a welcoming working environment, creates opportunities for professional development and advancement, treats employees with respect and dignity, and enables them to feel valued, both as contributors to the organization's success and as human beings. Given the choice between comparably salaried positions, most of today's talented people say they would choose the company that offers them the greatest opportunity to grow, develop, and do their best work.

In this respect, today's new rules represent an odd evolution. Yesterday, the traditional organization's implied offer of a "job for life" did not include any promises of respect or consideration. The offer was simple: a job *in exchange* for loyalty. Today, the emerging contract is one in which the organization makes no promises about longevity, but instead offers respect, consider-

ation, and opportunity *in hope* of winning a loyalty it can no longer demand.

From our perspective, this shift represents a change of immense strategic importance. Since organizations can no longer offer the traditional "job for life" employment contract, they must, if they want to attract talented people, strive to create a new contract. But, if they no longer can promise blind, two-way loyalty and they can't insist on blind, one-way loyalty, what can they do?

After much research and interviewing, we've found one answer we think holds great promise. With serious commitment and much work, today's competitive companies can establish for themselves a work culture that is characterized by mutual honesty, respect, trust, openness, support for continuous growth, and regard for each other's best interests. When they've accomplished this, they have a good chance of meeting the interests of those prospective employees that we outline above.

In this context, it's clear that in this new equation organizational success is of paramount importance. A company that is foundering or heading toward bankruptcy will have a difficult time competing for top talent, no matter how wonderful its culture. To attract talented people, a "Worthy Employer" must be a leader in its industry (or striving for that status) and its people must be recognized as leaders in their fields. In short, becoming a "Worthy Employer" involves the creation of a working environment that is not just welcoming and inclusive, it also must be high performing and highly productive.

Key Characteristics of a Worthy Organization

After hundreds of focus groups and dozens of surveys with people from major organizations in the public and private sectors, we have identified a

number of key characteristics that talented, high-potential people from diverse backgrounds say are important to them when they're selecting a "worthy organization" to join.

Across the board, the people we've talked to made it clear that to be most successful in attracting and retaining a highly talented and diverse workforce, an organization, in addition to offering a good salary, must make a strategic investment in creating a work culture where people feel respected, treated fairly and part of a community that accepts and values their contributions. Following are some of the key characteristics that talented, high-potential, and high-performing people look for when considering committing their time, their efforts, and their life-energy to a company:

1. A Growing Organization

- The organization offers a strong "upside" potential, especially in such areas as revenue increases and growing influence in its field.
- The organization is well positioned for growth in its markets, services and product development.

2. Support for Worklife/Family Integration

- The organization's worklife policies enable members to fulfill outside responsibilities (i.e., caring for young children or elderly parents, dealing with healthcare issues, pursuing education, etc.) without undue hardship and without jeopardizing their careers.
- People are not required to constantly sacrifice their families or their health for the sake of: (1) the organization, (2) being regarded as a valued contributor, and/or (3) their future success in the organization.

3. People Enjoy Ample Opportunities for Continuous Growth and Development

- The organization gives people opportunities, encouragement, and support to improve their skills and grow beyond their organizational "boxes."
- Managers are held accountable for enhancing their employee's productivity and development.
- The organization provides internal and external educational and/or career-skill enhancement opportunities.

4. A Sense of Community

- There is a feeling of belonging within the organization. There is a base-line price of admission and the opportunity for deeper involvement at the member's option.
- People feel special for being members of the organization and acknowledge each other as members.
- People genuinely like, admire, and respect many of their colleagues.
- People experience a broad bandwidth of acceptable behavior styles within the organization and feel free to be themselves.

5. Guaranteed Safety

- The organization provides a safe environment in which to work. People are not in danger of physical harm from their work processes or other people in the workplace. There is zero tolerance for workplace hazards and violence.
- There is a clear commitment to emotional safety in the workplace. No harassment, no "initiation by hazing," no "zings," no nibbles.² Rather, the culture supports and encourages all people to do their best work.

6. Leaders Worthy of Respect and "Followership"

- The leaders are recognized as having the knowledge and skills to lead the organization and inspire its people.
- The leaders communicate their ideas, vision, strategies, and directions effectively.
- The leaders listen to others.
- The leaders model and live the values of the organization.

No top-talent recruitment strategy can be fully effective unless it starts with retention programs that support and continually re-recruit the people who are already members of the organization.

7. People are Treated as Business Partners

- People are treated as partners in the enterprise rather than as replaceable "cogs." Instead of merely being expected to blindly follow orders, people are afforded the implied respect and trust that goes with working to help the organization achieve its mission and goals.
- People are recognized as the leaders of their jobs, given due credit and respect for their unique expertise, and supported in bringing their knowledge and ideas to the enterprise.

- People are given the opportunity to have their rewards tied to the overall performance of the organization, i.e. through profit-sharing, stock options, bonuses, incentives, etc.

8. Communications Flow Clearly and Freely

- Information flows effectively up, down, and across the organization.
- People feel they have access to all job-relevant information.
- People are encouraged and feel free to use clear, direct, and honest language in all their workplace interactions.

9. A Clear Work Agreement

- The organization's expectations of people are clear regarding roles, responsibilities, performance, commitments, and rewards, i.e., what you give, what you get, for how long.
- All people who are told they are competent are treated as competent and as the "right people" for their positions and for the organization.
- People who are not performing up to the expectations of the organization are given clear feedback and direction regarding what those expectations are and given the opportunity and support to develop themselves to meet those expectations. (If the expectations are not met over time, the people are asked to leave.)

10. Policies, Procedures, and Practices Enable All People to Do Their Best Work

- The organization's stated policies and procedures align with its goals, objectives, and actual practices.
- Policies are administered fairly and consistently.
- The organization invites, sup-

ports, and rewards the contributions of all its people—including all levels, salary ranges, job titles, functions, backgrounds, experiences, and identity groups.

- People are given the tools they need to do their best work, i.e., physical space, technology, resources, etc.
- The organization actively works to welcome new people, providing formal and informal training as well as orientation processes, which help them feel welcomed, valued, included, and clear about their responsibilities and opportunities to contribute, learn, and grow.

11. A Place Where People of Your Background, Nationality, or Gender Can Succeed

- People like you are already experiencing success at higher levels than yours in the organization.
- Formal and/or informal mentors/coaches are available who can support your understanding of the organization and coach you in your development.
- Established networks (informal and/or formal) enable you to connect with others who share your experience and/or background.

12. You Feel Wanted, Needed, and Valued For Your Contribution, Skills, and Talents

- Your manager asks for and uses your input on key work issues and decisions.
- Your peers, colleagues, and other members of your workgroup seek you out for your opinions and suggestions about work issues.
- Your manager and senior managers say hello and call you by name.
- Your manager and senior managers notice, acknowledge, and appreciate the work you do.

A "Worthy" Effort

For ABC Corp., the need for talent has led to a long-term commitment to creating a culture that supports all people to do their best work—creating a just, supportive, humane, diverse, and inclusive community within the organization that values, encourages, enables, and rewards continuous learning and improvement, individually as well as collectively. In the words of one of the organization's top leaders, it means making a concerted effort at "creating an environment that will enable people to have the kind of lives they want."

Following are some key actions to which ABC Corp. has committed in its effort to achieve and maintain "worthiness"⁴:

- Developing a long-term roadmap for the culture change effort that identifies the competencies and mechanisms needed for establishing a preferred workplace.
- Linking building inclusion, leveraging diversity, and creating an organizational community to all strategic activities and business objectives.

(continued on next page...)

13. A Favorable Reputation as an Organization

- People are proud of the organization's community activities and its reputation as a good "corporate citizen."
- People are supported for their involvement in volunteerism in their local communities.

14. Good Pay and Benefits

- The organization is competitive regarding salary and other forms of compensation.

- People feel rewarded and recognized for their efforts.

A Business Strategy: To Become Worthy

ABC Corp. is a good example of a company that is working to become a "worthy organization".³ A global service organization based in the United States, ABC Corp. had been the market leader in its field for more than 100 years. Recently, however, rapidly emerging markets, advancing technology, and global competition have been threatening to erode its dominance. To create an organization capable of succeeding in their new global marketplace, ABC Corp. saw that it needed to attract, hire, and retain talented people from the widest possible range of backgrounds, people who could take it into the 21st century.

In developing its strategy for building this talent base, ABC committed itself to a long-term program aimed at recruiting people from a broader range of backgrounds than were currently represented in its workforce. It was clear that becoming known as an "Employer of Choice" for people from diverse backgrounds would help make this recruiting program more successful. It also was clear that the company had to become "Worthy" of this "Choice."

Consequently, ABC formulated a recruitment strategy that had two key elements:

- 1. Becoming Worthy**, in terms of policies and practices that support people in doing their best work and developing to their fullest potential, both professionally and personally.
- 2. Becoming Known** as a worthy employer in its field, recognized as a leader in creating an environment that enables its people to do their best work.

ABC realized that to be "known"

but not “worthy” would lead to high turnover among its high-performing individuals. On the other hand, to be “worthy” but not “known” would under-leverage the organization’s investment in its people. (It would be like having a great product that no one knows about.) Thus, they concluded that both elements were required for their strategy to be most effective. Neither “becoming worthy” nor “becoming known” alone would be sufficient to create the “pull” that would attract, and continue to draw, the most desirable people to their organization.

They also recognized that, in order to attract talented, high-performing people from diverse backgrounds, ABC Corp. needed to be able to show that it *already* was a place where high-performing people from diverse backgrounds could be successful. Prerequisites, therefore, to their external strategy were internal programs and processes that supported the development of the people currently inside the company. The irony was that to attract the talent needed for the future, the organization had to already be treating its current people as though they, too, were the talent for the future.

In effect, to be most effective in recruiting talented people from outside the organization, they had to begin by re-recruiting the talented people who were already inside the organization. The lesson here is clear: no top-talent recruitment strategy could be fully effective unless it *started* with retention programs that supported and continually re-recruited people who were already members of the organization.

Lessons Learned

We learned several significant lessons from working with ABC Corp. An important one is this: To attract talented people from the broadest spectrum of

backgrounds, “worthiness” is not enough. An organization must also be “known” as a place of success and growth. It must be a place with a high-impact reputation in the marketplace; one known for having a culture that actively and effectively enhances its people.

To achieve this status, an organization needs to pursue a course of strategic visibility, seeking to raise public

- Enrolling the organizational leaders in an ongoing educational process that has them and the organization living its values and walking toward their talk⁵ with regard to the inclusion of all people.
- Creating new opportunities for people to grow and develop, i.e., cross-functional training, leadership development programs, educational subsidies, rotating assignments, multi-level mentoring groups, externships, etc.
- Pursuing an organizational growth strategy that offers people constant opportunities for advancement.
- Providing people with a broad array of opportunities and incentives to “hitch their wagons to the company” for significant periods of time, engaging their professional and their personal visions of success, and making their commitment worth the investment, i.e., company-funded sabbaticals and educational leaves of absence in return for multi-year employment commitments.
- Creating a company identity and community that meets a broad array of financial and personal needs for people; a place people choose to work because of the spirit and culture of the organization.

awareness of its workplace practices and accomplishments, especially among those people it seeks to attract. This lesson, we believe, suggests that it is prudent to delay efforts to become “known” until a significant number of internal retention and development actions have had a chance to become established and bear fruit.

Our history with ABC Corp. suggests that there are several key components, actions, and goals associated with this kind of strategic visibility effort:

1. Strengthening internal communications, keeping all people of the organization informed of achievements, ongoing efforts, future plans, and decision-making processes.
2. Linking internal recruitment and retention goals to the external goals and mission of the organization.
3. Supporting and becoming involved in local high school mentoring programs, scholarship funds, and community volunteerism programs.
4. Creating and nurturing a strong presence on college campuses and with other key “feeder” organizations, providing internships, field placements, “job fair” presentations, speakers, and informational literature.
5. Building connections to business schools and other consortiums of higher education.
6. Publicizing successes and achievements on an ongoing basis via press tours, news releases, and article placements in key publications and demographically targeted periodicals that publish annual “Best Places to Work” lists.
7. Giving presentations on successful practices and learnings at key association conferences.
8. Becoming an active and visible member of progressive organizations, such as the Businesses for Social Responsibility and the Social Venture Network.
9. Serving as a model for successful practices to other organizations—being cited as “the” company to benchmark against.


To succeed in the coming years, organizations must develop the talent to capitalize on emerging opportunities and serve an ever-broadening customer base. While working with ABC Corp., we learned that accomplishing this will require a shift in a corporation's traditional thinking about "people policies." Whereas companies traditionally have thought of these policies as "soft," non-essential, and unrelated to the core business of the organization, they must now begin seeing people policies as "hard," even strategic items required for long-term success.

Today, people policies (and people) in many organizations are considered sideline items, something not related to primary business activities or goals. To be a Worthy Employer, an organization must reposition this view, seeing the enhancement of its people as a primary business strategy to be integrated—and lived—in all day-to-day decisions and

actions. As knowledge workers become more and more central to the operations of many organizations, this repositioning is occurring naturally in some organizations. Those organizations that presently are creating new environments where knowledge workers can thrive are also gaining a competitive advantage in recruiting and retaining these assets. This strategy will also give these organizations a competitive advantage in competing for and retaining new customers.

Even organizations that are not yet knowledge-based are being forced to reassess their assumptions about what talents they need and who their most valuable people are. The definition of "the best and brightest" is changing dramatically. At one time, it was accepted that the most desirable workers were a certain type of people who came from a few elite universities. However, a few years ago, enlightened human resource

managers began to realize that the "best and brightest" could come from virtually anywhere—from any of a multitude of places and institutions. Today, it has become clear that meeting the challenges of a global economy that is ever more focused on customized delivery of products and services, means the new talent *must* come from *everywhere*.

Finally, there's this lesson: to remain competitive, today's organizations need to attract and retain talented people who not only bring myriad different skills, backgrounds and perspectives but who are also of different genders, nationalities, and races. The value of tomorrow's knowledge workers will be measured by more than simply their technical skills. Increasingly, it also will be measured by how well they understand, communicate, and partner with a diverse range of customers, suppliers, colleagues, co-workers, and team members. It's our opinion that organizations that treat all their people as knowledge workers—as valuable resources to be nurtured, developed, recognized, and rewarded—will be among the first companies truly regarded as "worthy" of the best people. These are the organizations that will have the great potential for long-term success. 

Frederick A. Miller is a renowned authority on issues of building inclusion and leveraging diversity. Fred has devoted his career to assisting organizations in creating cultures that enable all people to do their best work. He has been at the forefront of some of the most significant advances in the human relations field, including the positioning of Affirmative Action as a springboard to organizational effectiveness and the identification of Cultural Diversity as a performance-related business issue. Fred has authored many articles on individual and team development, leadership, cultural diversity, racism, high performance, and the inclusive workplace. He is the author of a book on strategic culture change, currently in press with Amherst Publishing and is working on a manuscript tentatively titled *New Competencies for a Worthy Workplace*.

Judith H. Katz is executive vice president of The Kaleel Jamison Consulting Group, Inc., and a member of the firm since 1985. Judith offers over 20 years of international experience in developing strategic change processes to address systemic oppression and help organizations become high performing and more culturally inclusive. Currently, Judith is focusing on helping organizations integrate strategic initiatives such as quality, leadership, empowerment, and teamwork with diversity to create sustainable change. Judith is an internationally known author and her first book, *White Awareness: A Handbook for Anti-Racism Training* (1978) remains a landmark in the field, and her courageous autobiographical work, *No Fairy Godmothers, No Magic Wands: The Healing Process After Rape* (1984), is still widely used in assisting rape survivors in the recovery process. A co-editor of and contributor to *The Promise of Diversity* (1994), Judith is completing work on a new book tentatively titled *Walking Toward Your Talk: A Book of Learnings for Agents of Change*.

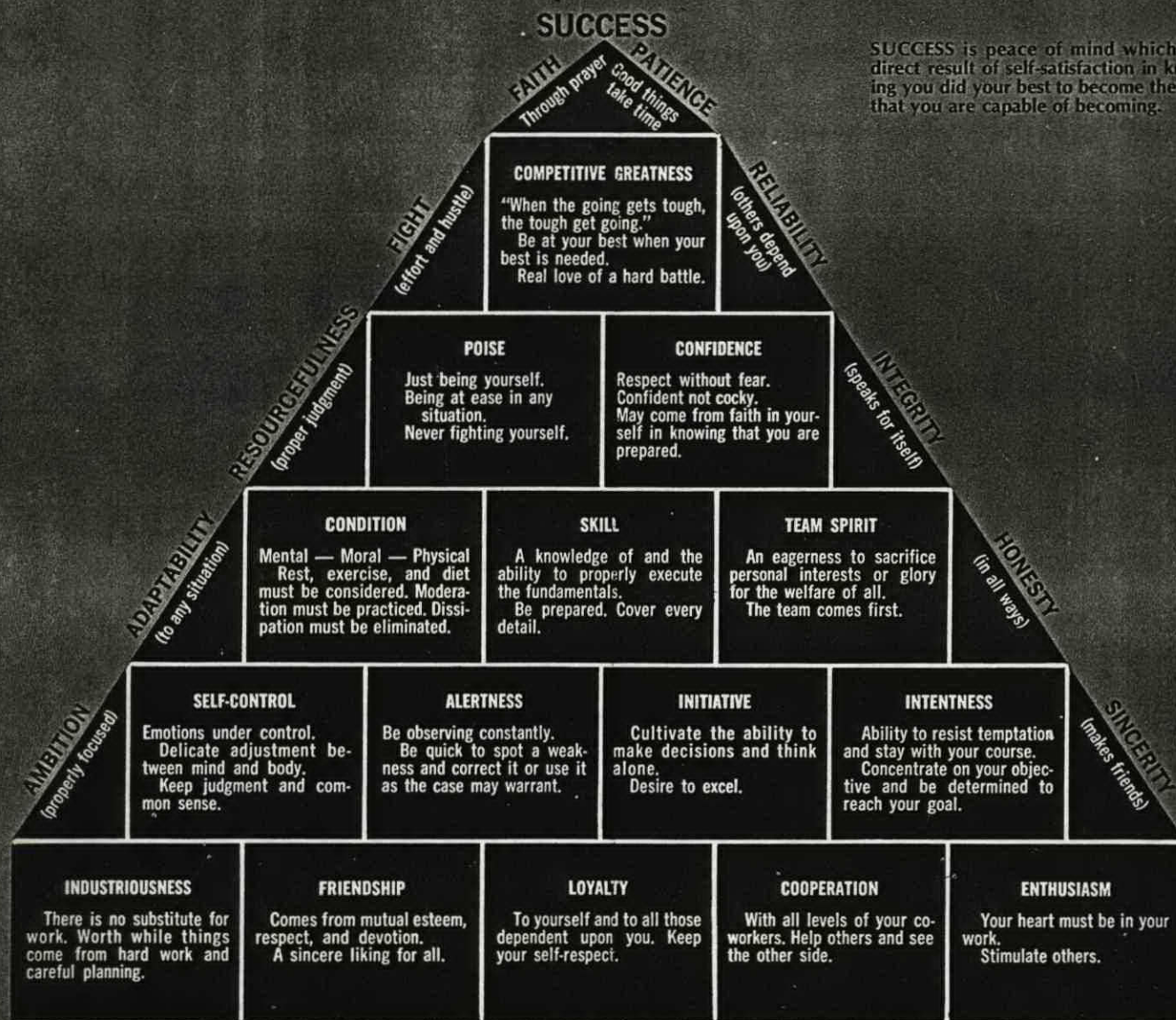
Roger Gans is a writer, editor and communications consultant. Roger has been a member of The Kaleel Jamison Consulting Group, Inc, since 1993. His current projects include facilitative collaboration on a number of books and articles on subjects ranging from sustainable culture change and leadership skills to strategies for overcoming work/family/life conflicts. Roger graduated from Cornell University with an interdisciplinary degree in psychology, sociology and anthropology.

FOOTNOTES

- ¹ e.g., *Forbes*, *Fortune*, *Harvard Business Review*, etc.
- ² A "nibble" is a deprecating, demeaning, or diminishing phrase or gesture. See *The Nibble Theory and the Kernel of Power* (1985, Paulist Press) by Kaleel Jamison.
- ³ The company names in this article have been changed to maintain confidentiality.
- ⁴ For additional information on this topic, see "101 Things You Can Do To Become Worthy" at www.kjcg.com.
- ⁵ See "Walking Toward Your Talk," by Judith H. Katz, in *The Promise of Diversity* (1994, NTL/Irwin), Cross, Katz, Miller and Seashore, eds.

John Wooden's Pyramid of Success

SUCCESS is peace of mind which is a direct result of self-satisfaction in knowing you did your best to become the best that you are capable of becoming.



John Wooden often says this may be the only truly original thing he has done. It was originated and developed in the late 1930's in an effort for his own self-improvement as a high school teacher and coach. He feels adherence to the blocks of the pyramid encourages individuals to become the best they are capable of becoming, regardless of how they may

be judged by others. As George Moriarty says in his poem, "The Road Ahead or the Road Behind":

Who can ask more of a man
 Than giving all within his span
 That giving all, it seems to me,
 Is not so far from victory.