



The Oxford Handbook of the Learning Organization

Anders Ragnar Örténblad (ed.)

<https://doi.org/10.1093/oxfordhb/9780198832355.001.0001>

Published: 2019

Online ISBN: 9780191885570

Print ISBN: 9780198832355

CHAPTER

6 Learning Company: The Learning Organization According to Pedler, Burgoyne, and Boydell

Mike Pedler, Tom Boydell, John Burgoyne

<https://doi.org/10.1093/oxfordhb/9780198832355.013.24> Pages 87–104

Published: 08 January 2020

Abstract

This chapter provides an overview of the Learning Company model, describing its evolution, key features, and its potential contribution to developing organizations with ambitions to do things that matter. After describing the ideas and materials created around the time of the fall of the Berlin Wall, this chapter considers the multiple criticisms of these ideas that have arisen since then. Following a brief review of changes in the wider world over that time, it considers evidence on the question of whether the Learning Company is still alive or not. Given the seriousness of the problems now facing humanity, pre-eminently that of planetary climate change, it concludes that new concepts are needed to replace models based on ideologies of competitive advantage. A call is made for new organizational visions that go beyond sustainable development to embrace a regenerative purpose that aims to benefit the widest range of social and ecological stakeholders.

Keywords: learning company, learning organization, organizational learning, wicked problems, regenerative, sustainability, climate change

Subject: Organizational Theory and Behaviour, Business and Management

Series: Oxford Handbooks

Introduction

WE began our partnership in the mid-1970s, brought together by a common interest in learning and, at that time, in the idea of self-development. We all worked in management schools and shared the conviction that the experienced people we met there were less in need of instruction and wanted more for opportunities to learn, especially with regard to their pressing tasks and challenges. By the mid-1980s we had developed our approach to management self-development and seen it begin to catch on amongst professional trainers and developers. Yet we also got reports back from participants that whilst they liked the ideas and methods, their organizations were less welcoming and even hostile.

Something more than individual development was needed, but what did it look like? In early 1986, came these words in a speech by Geoffrey Holland, then Director of the UK's Manpower Services Commission (MSC):

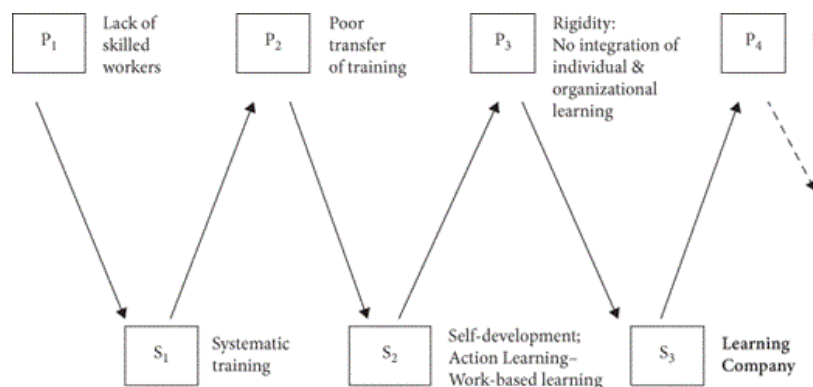
If we are to survive, individually, or as companies, or as a country, we must create a tradition of “learning companies.” Every company must become a “learning company.”

p. 88 Though he cited examples of companies that did a lot of training, this suggested to us something more ambitious. With the aid of a grant from the MSC, we researched the Learning Company idea via the literature (mainly early stuff on organizational learning), by visiting businesses, interviewing people we met, and by the setting up of a study group. The outcomes included a Research Report (Pedler, Burgoyne, and Burgoyne 1988) and a book (Pedler, Burgoyne, and Boydell 1991).

The “Learning Company”

We charted the evolution of the Learning Company idea, seeing it in a historical progression of problems and solutions to training and development (Figure 6.1). Shortages of skilled people after the Second World War created a demand for systematic industrial training, but this training philosophy proved less successful when applied to the high discretion work of managers and professionals. Work-based learning approaches such as coaching, self-development, and action learning emerged in response to this challenge. And whilst these new learner-centered designs worked well for individuals, they uncovered in turn another challenge: that of the poor welcome and integration of independent learners within their host organizations; a situation known at the time as the “transfer of training” problem.

Figure 6.1.



The evolution of the learning company.

The Evolution of the Learning Company

The means to overcome this transfer challenge could be the *Learning Company* (S3):

an organisation that facilitates the learning of all its members and consciously transforms itself and its context.

(Pedler, Burgoyne, and Boydell 1996: 3)

p. 89 We chose the warm word “company”¹ over the more mechanical sounding “organization” to denote any group of people working together and acting in concert. It implies relationships, individual and collective,

and the learning applies to all those engaged in any joint enterprise—public, private, or voluntary. Individuals could learn, but so could teams, groups, and other collectivities, including, as in the above quotation, the wider and external context of partnerships within which any enterprise operates.²

What Does It Look Like?

How does a Learning Company work and what does it look like? Our research turned up many examples of what we saw as good practice, which we composited into an ideal type with eleven dimensions or characteristics of the Learning Company (11Cs):

1. A learning approach to strategy;
2. Participative policy making;
3. Informating;
4. Formative accounting and control;
5. Internal exchange;
6. Reward flexibility;
7. Enabling structures;
8. Boundary workers as environmental scanners;
9. Inter-company learning;
10. A learning climate;
11. Self-development opportunities for all.

Working in conferences, consortia, and consultancy projects we developed instruments to enable organizational assessments via this 11Cs mode, including a 110 item questionnaire (Pedler, Burgoyne, and Boydell 2000), covering each characteristic in some detail. Table 6.1 shows a summary of the 11Cs.

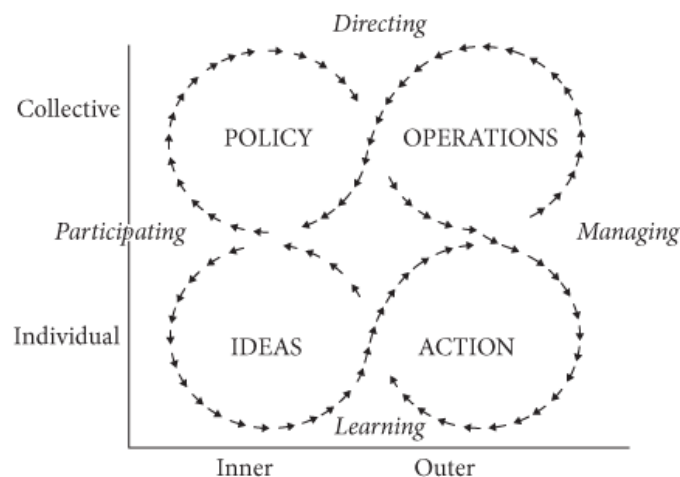
Table 6.1 Short descriptions of the 11Cs of the learning company

Learning company characteristic	Brief description
1. A learning approach to strategy	The development of policy and strategy is treated as an ongoing learning process, implying that strategy is not seen as the end of a development process.
2. Participative policy making	As many people as possible are involved in the policy or strategy-making process. Employees are seen as members and encouraged to participate and debate major policy decisions. Other stakeholders such as suppliers, customers, and business partners have opportunities to contribute.
3. Informating	Information technology is used for sharing knowledge and mutual awareness rather than leaving the computers to the IT experts.
4. Formative accounting and control	Accounting and control processes providing feedback for understanding the effects of action, learning, and decision making. These processes are open and transparent.
5. Internal exchange	Departments and functions see each other as customers and suppliers which helps them build collaborative relationships and test the extent to which they receive and provide good service.
6. Reward flexibility	The assumptions and values underlying reward systems are made explicit and discussed. As well as remuneration, rewards include incentives for learning and non-financial benefits such as free time.
7. Enabling structures	Organizational structures and processes both enable learning and are flexible enough to shift, adapt, and accommodate to changes resulting from learning.
8. Boundary workers as environmental scanners	Everyone with outside connections, especially front line people in touch with suppliers, customers, and other stakeholders, is expected to help with scanning the environment and collecting information and ideas to improve organizational processes.
9. Inter-company learning	A willingness and ability to learn with and from other organizations through benchmarking, joint projects, partnering, etc. This implies overcoming the fear that competitors will exploit learning partnerships.
10. Learning climate	A culture and climate that fosters learning. Unlike in a “blame culture,” members look for feedback from responsible experimentation and learning from any success or failure.
11. Self-development opportunities for all	Resources and facilities for learning are made available to <i>everyone</i> . Self-management and self-development are expected, encouraged, and supported.

The E-Flow of the Learning Company

Alongside the 11Cs we created other models and tools to bring about the vision. The *Energy Flow* or *E-Flow* model (Pedler et al. 1991: 29–33) attempts a living representation of how energy flows—or not—around a given community. Whilst the 11Cs provides a useful way of profiling corporate learning performance, the E-Flow offers an analysis of the vital flows of energy (information, power, creativity, etc.) that make any enterprise go. The four flows of Policy, Operations, Ideas, and Actions (see Figure 6.2), may operate freely and productively or may be blocked or partially obstructed. Energy blockages occur for example where there is no link between the *Ideas* of individual members and the collective *Policies* enacted by the directors, or where people have plenty of *Ideas*, but are not encouraged or allowed to put them into *Actions*.

Figure 6.2.



The E-Flow model.

Source: Pedler et al. (2000).

Working with the E-Flow offers an action and learning process to help free up the flows of energy within a company, and between it and its customers and stakeholders. In contrast to the diagnostic blueprint of 11Cs, the E-Flow is more mandala than model giving a more dynamic reading of the organizational state of affairs. Whilst the value of a blueprint is in showing an ideal type, active reading of the E-Flow by organizational members can detect vital signs of life and also those more morbid areas requiring attention (Pedler et al. 2000).

When we were developing these ideas we faced several challenges. The first was to develop the “applications technology” to enable the ideas to be enacted. We developed and tested these tools to help people to try out the ideas through consultancy projects, working with Learning Company consortia and writing up papers and reports. They appeared in various forms and including *The 11 Characteristics of the Learning Company: Diagnostic Instruments* (Learning Company Project 1996), a self, career, and organization development guide for managers (Burgoyne 1999), and the *The Learning Company Toolkit* (Pedler et al. 2000).

A second challenge was to integrate Learning Company ideas with other contemporary developments. These included the “Excellence” and quality management movements and the emerging field of Knowledge Management (KM) (Blackler 1995). KM recognizes the key role of learning in producing valuable organizational knowledge, and seeks to codify the relationships between data, information, knowledge, and action in a learning cycle so as to continue producing new data. This approach to the learning organization has been popular as a means of grounding abstract notions in more concrete and measurable terms, and has

been taken up by practitioners in functions such as Human Resources, Information Technology, and Systems, which often operate as separate communities of practice.

A third challenge is posed by the criticisms of the Learning Company and learning organization ideas. These began shortly after the ideas emerged and continue to the present day. Taken together they form the strands of a critique which have become clearer over time, drawing attention to aspects which demand responses if the ideas are to continue to be useful.

What's Wrong with the Learning Company?

Learning Company and organization ideas have attracted criticisms from both practitioners and researchers almost from their inception. This critique is important as a means of finding new insights into an idea that still compels attention as a vision for organizing. Five strands are considered below; being the arguments that:

1. organizations cannot learn;
2. Learning Company ideas are naive about power and politics;
3. and are also naive about the nature and dynamics of tacit knowledge;
4. the ideas are easily “captured” and used to obscure non-developmental regimes;
5. in any case, not all learning is good.

1. Organizations cannot learn. This is the “commonsense” argument that it is people who learn and that this attribute cannot be applied to the abstract notion of organizations (Belasco 1998).

Response: First, and empirically, organizations do sometimes appear to learn in that they change how they behave as collections of people. A second argument, implied in the Learning Company ideas, is that much investment in individual learning is wasted without some larger commitment to support, harvest, and generalize this learning for organizational benefit. Watkins and Marsick (1993), for example, discuss learning at different levels—individual, team, organizational, and societal. A learning organization aims to build learning into members’ everyday work experiences and nurtures team learning to contribute to the wider capacity for change and collaboration. Finally, as Örtengren (2005) notes, the learning organization as metaphor invites an act of imagining: what would an organization look like if it could learn?

1a. Organizations have become too fragmented to be able to learn. In this variation it is argued that the new forms of highly networked, devolved, autonomized organizations are not connected enough to learn (Abzug and Mezias 1993).

Response: Where this is true it poses a serious problem for any organization or society, as numerous case studies of disasters consequent upon breakdowns in communication and intelligence demonstrate (Turner 1976). On the other hand, loosely coupled networks can have great advantages when it comes to learning and knowledge exchange (Goold and Campbell 2002: 337). Autonomy in dispersed units and freedom from central control can encourage experiment and organizational adaptability.

2. The Learning Company is naive about power and politics. A frequent criticism is that these ideas assume a naive willingness to share organizational power, information, and rewards. In practice, most organizations distribute these assets very unequally, creating a democratic deficit which any would-be learning organization needs to confront (Coopey 1995). Variations on this critique include:

2a. *There is inalienable conflict between the stakeholders in any organization.* The Learning Company assumes that it can get better at pleasing all the people all the time, but the interests of stakeholders, as for example between those with stakes in capital and those whose only stake is in their labor, are in fundamental conflict (Adams, Brockington, Dyson, and Vira 2003).

2b. *Too much recycled 1970s “soft OD” (Organization Development).* It is alleged that much of what is practiced under the Learning Company banner is a re-badged version of the optimistic “openness-love-trust soft OD” movement of the 1970s (Burgoyne 2012).

Response: This critique is difficult to dismiss and often rings true. On the specific point of “inalienable conflict”: to the extent that this is true, there can still be better and worse ways of living with it. Collective bargaining is one way. Other approaches for resolving differences, such as dialogue based on “ideal speech” notions (Fryer 2011) or on “agonistic liberalism” (Mouffe 2000) which maintain a commitment to living with conflict rather than pretending to resolve it, may be examined with caution. What seems clear is that any adequate prescription for the Learning Company needs to address this challenge, allowing for it in any theory and recognizing it in practice. We need better arrangements for dealing with issues of power and politics that protect differences and the spaces for learning from them.

3. *The Learning Company is naive about the nature and dynamics of tacit knowledge.* This specific charge of naivety concerns the claim that the “knowledge-creating company” (Nonaka and Takeuchi 1995) can convert “tacit” knowledge into an explicit recipe. Whilst tacit knowledge is understood to make up a significant proportion of the know-how on which organizational performance depends, it cannot easily, or not at all, be made explicit. This problem applies to many approaches to organizational learning and knowledge management (Blackler 1995).

Response: This is an unresolved point. The sharing of knowledge is an important aspect of Learning Company aspirations, but the nature and shareability of tacit knowledge remains in dispute. Whatever solutions can be found here are likely to be complex as they involve questions of power and equality, of learning design as well as of the technical issues of translation.

4. *The Learning Company is easily “captured” and used to obscure non-developmental regimes.* Associated with charges of naivety and too much “soft OD” this strand of the critique argues that Learning Company initiatives often turn out to be cover-ups for more manipulative change strategies, intended to keep people happy whilst their legitimate rights and interests are being undermined.

4a. *The ideas are exploited to appropriate individuals’ intellectual property.* In the era of “knowledge work” and the “knowledge intensive” firm, learning organization strategies can be used in the illegitimate appropriation of personal intellectual property. This is a form of institutional theft (Cornish and Llewelyn 2007).

p. 94 *Response:* This remains a crucial issue. Some of the overblown complexity of current HRM practice can be understood as clumsy attempts to deal with this. The discussion of transactional versus transformational leadership often favors the former, but the latter may help here (van Knippenberg and Sitkin 2013). The comments above about collective bargaining and dialogue also apply here, along with “clean” psychological contracts and organizational arrangements to promote collaborative working. The charge of institutional theft requires the appropriate safeguarding of intellectual property rights. However, such solutions are unlikely to work in situations of asymmetric power or where the determination to exploit is unfettered by regulation and legislation.

5. *Not all learning is a good thing.* This fundamental criticism applies both at individual and corporate levels. Learning is a more problematic notion than is often assumed. Because it tends always to be seen in a positive light, the discourse of learning has become dominant and “seems to have become constituted as

truth” (Contu, Grey, and Örtenblad 2003: 933). Hsu (2013) specifically criticizes the learning organization on the grounds that by helping some businesses to become better at what they do, this idea may have helped exacerbate social problems such as inequality and climate change.

5a. A critical need for unlearning. This significant extension of the theme proposes that bad learning should be unlearned. Many examples show that knowledge and learning can be put to work in ways that constitute threats to health and ways of life. Organizations learn to do bad things, and to do bad things better, for example by encouraging smoking, gambling, and unhealthy eating, and by more efficiently producing products that damage the planet. The protection afforded by limited liability encourages and even obliges companies to behave in ways that, if done by individuals, would be designated “pathological” (Bakan 2005: 17). If learning organization ideas have contributed to this worsening of wicked problems, then there is a need for the “unlearning organization” (Hsu 2013).

Response: Agreed. A moment’s reflection reveals that quite a lot of individual learning can be harmful to oneself and/or to others. Any therapeutic strategy is as much to do with unlearning the old and harmful ways of thinking, learning, and doing as it is to do with acquiring new insights (Brook, Pedler, Abbott, and Burgoyne 2016; Pedler and Hsu 2014).

In summary, to the extent that this multi-stranded critique holds, it has obvious implications for any new proposals for the Learning Company. Alongside the critique there is also the question of how the world has changed since the ideas were first developed. The next section briefly reviews the wider context then and now.

What Has Changed since the 1990s?

On first appearance in the late 1980s, the learning organization seemed to spring up independently in several different places (Garratt 1987; Nonaka and Takeuchi 1995; Pedler et al. 1991; Senge 1990; Watkins and Marsick 1993). In fact, there were many important antecedents to this emergence and as Figure 6.1 shows, the Learning Company was born into an era shaped by notions of “Excellence” (Peters and Waterman 1982) and “Total Quality Management” (Deming 1982). Many work organizations, having taken up the management systems pioneered by Frederick Taylor and Henry Ford, were at this time experiencing crises of bureaucracy, as their “scientific” and “Fordist” routines acted as barriers to change and impediments to innovation (De Grazia 2005).

The ability to learn from customers, suppliers, partners, and especially the people who make up an organization is a desirable capability in any enterprise at any time, but the late 1980s and early 1990s put a particular spotlight on learning as a recipe for corporate survival and renewal. This stemmed partly from doubts that were undermining earlier prescriptions for corporate success. For example, just a few years after their book appeared, some of Peters and Waterman’s “Excellent” companies, as measured primarily by financial performance, were no longer excellent. The new idea was corporate learning, and it was promoted not only as a means of survival (De Geus 1988) but as the source of true competitive advantage (Senge 1990). In the coming era of global hyper-competition, the ability to learn was critical, and any inability to learn likely to put an organization at severe disadvantage. Companies as well as individuals could suffer from “learning disabilities,” which were likely to be serious, and even fatal, in the battle to stay ahead of the competition (Senge 1990: 17–26).

In the last thirty years there have been significant changes in the ways organizations work. Globalization, automation, information technology, and virtualization have transformed systems and processes, whilst socially and politically, the times are also much different. The 1989 wave of revolutions which swept through Eastern Europe and climaxed in the fall of the Berlin Wall and the dissolution of the Soviet Union marked a turning point in political history. As the long Cold War period came to an end, the neoliberal

economic systems and representative democracies of Western nations were pronounced triumphant. In the West at least the world felt more stable, people were becoming better off, and the ascent, from prison to president, of Nelson Mandela promised a more hopeful epoch.

Since then some of the shine has come off. Globalization, which has helped bring about improvements in countless lives, especially in China, India, and other Asian countries, has not delivered either just and equitable societies or a stable world order. If there is now more awareness of a common planetary humanity, it brings with it an awareness of intractable and “wicked” problems, so far immune to known solutions. The challenges of creating political stability, relieving enduring poverty, dealing with widening inequalities, and responding to environmental crises look more difficult than ever.

The ecological health of the planet has emerged as the biggest problem of all. Visible well before 1990, it was not, and is still not, in full public consciousness. Balancing the needs of growing numbers of humans with those of the Earth’s ecosystems is the “super wicked problem” of our times (Levin, Cashore, Bernstein, and Auld 2012): a situation in which we urgently want positive change whilst at the same time making it worse by the ways in which we continue to live. This is not a problem just for individual action, however heroic, nor even for single nations, however powerful, yet prospects for the necessary global governance seem remote with nationalism and protectionism once more on the rise. Despite the remarkable technological and scientific advances there are reasons to doubt our collective will and abilities to survive and flourish.

p. 96

Is the Learning Company Still Alive?

Has the learning organization had its day? Or is it still a valid and powerful formula for collective survival and renewal? The accumulated weight of the critique and the changes of the last thirty years suggest that 1990s conceptions are no longer fit for purpose; can they be revisioned and reformulated to be relevant and useful today?

In 2013 we surveyed some change management practitioners and asked them if they thought that the Learning Company and learning organization ideas were still alive (Pedler and Burgoyne 2017). Respondents were split on the question: some remained enthusiastic about the ideas and were using the models and materials in their work; others thought that it had been superseded by newer ideas. Different people said that:

- the workplace of today is much changed, with more contractual relationships, less predictable careers and people have less expectations of, and attachment to, organizations;
- the rise of metrics-based performance management pushes out learning orientations: one person said: *The emphasis on high performance in organizations has tended to diminish the learning aspects;*
- the learning organization is alive but it lives on under different names including leadership, innovation, knowledge networking, workplace learning, network organizing, mobilizing collective intelligence, etc.

Stronger evidence of continuing life comes from both academic and practitioner literatures and from cases in consultancy practice. A continuing flow of articles and books suggests that learning organization and organizational learning are living topics of interest. Organizational learning, as distinguished from the learning organization (Easterby-Smith, Araujo, and Burgoyne 1999), has been more the preserve of academics, yet in practice these ideas coincide and overlap to such a degree that there is an argument for considering them to be part of one field (Pedler and Hsu 2019). Tsang, for example, proposes that “a learning organization is one which is good at organizational learning” (1997: 50), also noting in a more recent review that a learning organization is “good at both learning and unlearning” (2017: 46).

p. 97

There is also support in the literature for those practitioners who argue that these ideas have had continued lives under other guises. These include *knowledge management* (Blackler 1995), which can be seen to have reinvented learning as the process for generating new knowledge; *absorptive capacity* (Cohen and Levinthal 2000; Laaksonen and Peltoniemi 2018), or an organization's ability to value, assimilate, and use new outside knowledge; and *dynamic capabilities* (Teece, Pisano, and Shuen 1997), or processes that organizations can develop in order to change and rejuvenate themselves. Others listed by our respondents included *work-based learning* (Raelin 2008), seen as being potentially both individual and collective, and the *innovating organization* (Pettigrew and Fenton 2000). These ideas can also be seen to link organizational learning with the learning organization, as for example, when applied to organizational strategy. Learning organization ideas have also attracted attention from other disciplines, including for example development economists seeking to understand the causes of low productivity and to establish the conditions for innovation in knowledge-based economies (Stiglitz and Greenwald 2014).

Where cases of practice are concerned, one of the authors recently conducted consultancy projects with two charitable bodies. The two organizations were reviewed against the 11Cs and E-flow models (Pedler et al. 1991) and the resulting profiles revealed them to be similar in several respects, as for example, in being strong on culture but weak on systems and procedures. Both subsequently implemented changes based on the analyses. Canadian and US colleagues also report current examples of usage in demonstrating a continuing validity where the perspective is new and appropriate. Case experience also provides more indirect evidence of continuing influence, albeit in a somewhat backhanded way: the HR director of a large pharmaceutical firm told us that whilst they had used learning organization ideas to shape their thinking and practice, he and the CEO agreed that they would never publicly label themselves in this way because "the stock market might think they had gone soft." We might point out that, for example, the 11Cs includes several "harder" aspects of organizing, such as strategy, IT, accounting systems, and so on, but we can't argue with the perceptions and the possible significances of the words. The language of learning does not always play well and is consequently variously translated in organizational settings.

Where next?

In the second edition of our book (Pedler et al. 1996: 4), we propose a stage model describing three purposes or motivating forces that might underlie the drive to the Learning Company:

A Stage Model of the Learning Company

Stage 1: *SURVIVING*—Companies that develop basic habits and processes and deal with problems as they arise on a "fire-fighting" basis.

Stage 2: *ADAPTING*—Companies that continuously adapt their habits in the light of accurate readings and forecasts of environmental changes.

Stage 3: *SUSTAINING*—Companies that create their contexts as much as they are created by them, who achieve a sustainable, though adaptive, position in a symbiotic relationship with their environments.

p. 98

The visions of the 1990s were preoccupied with notions of competitive advantage (Porter 1985) and focused on survival and adaptability to environmental change. Some businesses who adopted learning organization ideas prospered and grew in reach and power, but as noted earlier, this may not have contributed to any overall capacity to deal with wicked problems (Hsu 2013). As often more powerful than governments, successful and global organizations are not easily held accountable for their actions, which can include using up the non-renewable resources of land, water and minerals, whilst creating waste and toxicities. Nor

can they be relied on to share their gains equitably or pay local taxes on their surpluses, which are often repatriated or held invisibly offshore.

The Stage 3 vision for the Learning Company suggests something very different from these survivalist and competitive struggles: ... learning companies not only adapt to their environments and learn from their people, *they also contribute to the learning of the wider community or context of which they are a part*. Stage 3 organisational learning is not just individual or organisational or contextual—but simultaneously all three. This is the dream—that we can create organisations which are capable of changing, developing and transforming themselves in response to the needs and aspirations of people inside and outside the company *and* which enrich and sustain the wider world of which they are a part.

(Pedler et al. 1996: 4, italics in original)

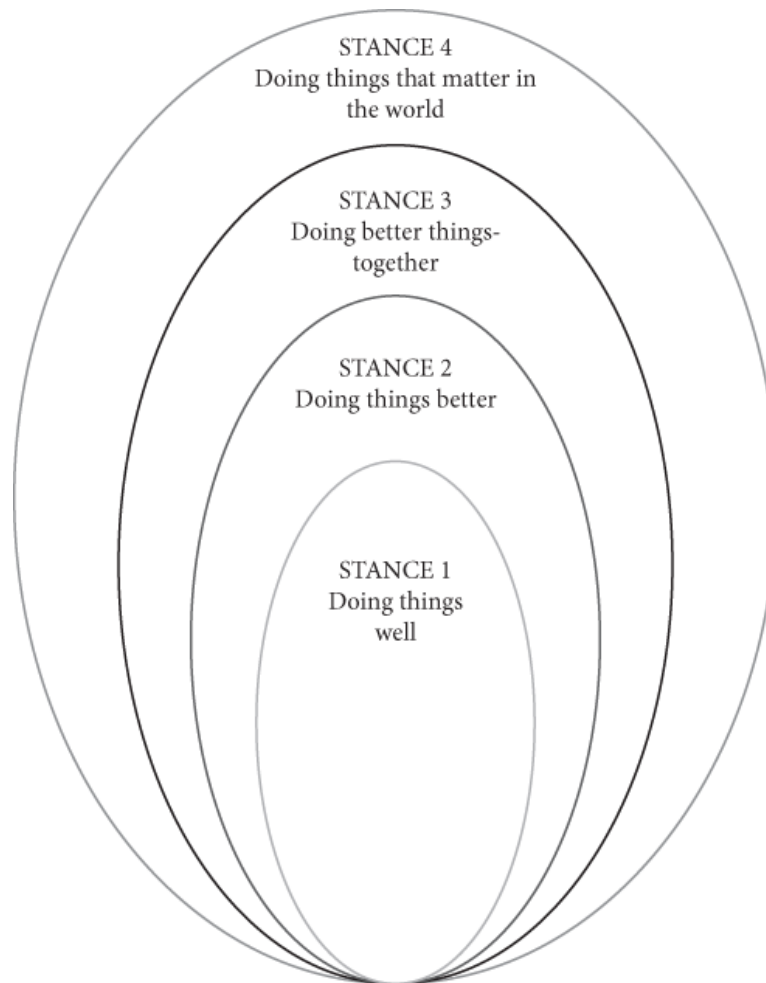
This remains the dream—yet to materialize on any significant scale—but not only still valid, but as standing in even more urgent need of realization. We end this chapter with a developed version of these three stages now interpreted as four “Stances” of the Learning Company.

Four Stances of the Learning Company

To explain the shift that we see as necessary to make the Learning Company fit for purpose in the present era, the idea of “Stances” is useful. The *Four Stances of the Learning Company* originate in work by Boydell and colleagues describing seven stages or “modes” of being and learning (Leary, Boydell, van Boeschoten, and Carlisle 1986). In the second edition of our book, we collapsed these modes into three types of learning (Pedler et al. 1996: 202–8), and these were subsequently elaborated and renamed as Stances to denote ways of standing in the world (Boydell 2000; Blanter, Boydell, and Burgoyne 2013).

The *Four Stances* are ways of looking at the world, as an individual, as a group, or as an organization. Rather than as a hierarchy, the Stances are better seen as nested within each other, like a Russian *matryoshka* doll, as in Figure 6.3.

Figure 6.3.



Four stances of the learning company.

STANCE 1: DOING THINGS WELL. Getting things right, according to established practice. Learning to follow rules, procedures, and accepted ways of doing things. What is to be done (strategy/policy) is decided by leaders whilst managers determine the how (methods) and pass this on to staff.

↳ **STANCE 2: DOING THINGS BETTER.** Improving how we do things. Leaders determine the vision and mission and motivate managers and staff to “buy in.” There is a commitment to learning and training and a striving for continuous improvement.

STANCE 3: DOING BETTER THINGS—TOGETHER with multiple and diverse partners including external stakeholders, customers, suppliers, clients, users, and neighbors. Collective leadership is facilitated by “leader midwives” who bring together multi-stakeholder groups and create conditions conducive to learning to work together on the wicked problems that concern them all through shared visioning, decision making, reflection, and mutual accountability. This can include moves towards Stance 4 through bringing in natural or social ecological “stakeholders” such as climate, atmosphere, water, soil, equality, ethics.

STANCE 4: DOING THINGS THAT REALLY MATTER TO THE WORLD in a fuller “ECO awareness” (Scharmer and Kaufer 2013) with commitment to both the social and natural ecologies. In all sectors, people take leadership to ask: “How does our organisation impact society? How should it impact society? Is our growth as a business, nonprofit organisation, or government agency healthy

and sustainable in a changing world? What is our strategy for creating positive societal impact?”
(Asif and Palus 2014: 2).

p. 100

↳

p. 101 Each of the Four Stances is governed by different principles with implications for policy and practice. As applied to the Learning Company, and therefore to matters of organizing, managing, and leading, the Stance taken will affect the formation of strategy and the enactment of operations and procedures. Whilst each Stance represents a self-sufficient and viable worldview, taken together they can also be seen as implying movement through a series of stages. In this sense of progression, they move from being more “Ego-centered” in Stance 1 to being more “Eco-centered” in Stance 4 (Scharmer and Kaufer 2013).

In Table 6.2, we combine the Four Stances with the 11Cs of the Learning Company to illustrate how they might be translated within and across these four perspectives and worldviews.

Table 6.2 Matrix of the 11Cs and the four stances of the learning company

The 4 Stances The 11 Cs	STANCE 1 Doing things well	STANCE 2 Doing things better	STANCE 3 Doing better things— together	STANCE 4 Doing things that matter in the world
	From EGO—			—to ECO
1. STRATEGY	Habitual—business survival & maintenance	Corporate strategy process	Learning approach to strategy	Service & learning on behalf of the whole (world)
2. POLICY MAKING	Top-down direction	Planning process—directors & consultants	Participative policy making	Social/ecological responsibility
3. INFORMATION PROCESS	Announcement & instruction	Briefing + Q&A + feedback	Informing	Global awareness for local action
4. ACCOUNTING & CONTROL	Single bottom line	For profit & customer satisfaction	Formative accounting & control	Investing in learning on behalf of the whole
5. INTERNAL FLOWS	Mainly top-down	Two-way via mgt & dept. meetings	Internal exchange—all units as customers & clients	Networking inside and outside with like-minded collaborators
6. REWARDS	Financial hierarchy of pay	Performance-related pay	Reward flexibility + alternatives to £	Making wider contributions for well-being of all
7. STRUCTURES	Designed for hierarchical control	Central direction + local mgt. of operations	Enabling structures—allow flexibility for learning	Multiple—including local networks & global alliances
8. SCANNING	Relies on director awareness	Systematic scanning by senior people	Boundary workers as environmental scanners	Dialogue within & without with many partners & collaborators
9. CORPORATE LEARNING	Single loop	Industry benchmarking	Inter-company learning via exchanges, joint projects etc.	Collective learning to support re-purposing toward strategic goals
10. LEARNING CLIMATE	Needs permission	Support for approved learning	General support for continuous improvement for everyone	Learning from the tackling of wicked problems
11. LEARNING OPPORTUNITIES	Training as and when needed	Systematic training at all levels	Self-development opportunities for all	Corporate mindfulness, presencing, & eco-awareness

In Conclusion

We began with a reprise of Learning Company models developed thirty years ago and considered the critique which has developed together with a brief review of changes in the historical context since then. We conclude that the old models do not stand up to these tests and that new concepts are needed to replace those which were based on individual and organizational comparative and competitive advantage. To meet the needs of the present, a new vision has to go beyond the sustainable development added in our second edition (Pedler et al. 1996: 4) to embrace a regenerative purpose with an ambition to benefit the widest range of social and ecological “stakeholders.” These ideas are taken up in a later chapter in this book: “The Future of the Learning Organization” (Chapter 31).

References

Abzug, R., and S. J. Mezas. 1993. "The Fragmented State and Due Process Protection in Organizations: The Case of Comparable Worth." *Organization Science* 4 (3): pp. 433–53.

[Google Scholar](#) [WorldCat](#)

Adams, W. M., D. Brockington, J. Dyson, and B. Vira. 2003. "Managing Tragedies: Understanding Conflict over Common Resource Pools." *Science* 302 (5652): pp. 1915–16.

[Google Scholar](#) [WorldCat](#)

Asif, V., and C. J. Palus. 2014. *Leadership Strategies for Societal Impact*. Greensboro, NC: Center for Creative Leadership.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Bakan, J. 2005. *The Corporation: The Pathological Pursuit of Profit and Power*. London: Constable.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Belasco, J. A. 1998. "Learning Organization." *Executive Excellence* 15 (7): p. 17.

[Google Scholar](#) [WorldCat](#)

Blackler, F. 1995. "Knowledge, Knowledge Work and Organizations: An Overview and Interpretation." *Organization Studies* 16 (6): pp. 1021–46.

[Google Scholar](#) [WorldCat](#)

Blanter, C. J., T. H. Boydell, and J. G. Burgoyne. 2013. "'The Learning Organization'—Drop the Dead Metaphor! Performing Organizing and Learning Networks (So to Speak)." In *Handbook of Research on the Learning Organization: Adaptation and Context*, ed. A. Örtenblad, pp. 306–57. Cheltenham, UK and Northampton, MA, USA: Edward Elgar Publishing.

p. 102 Boydell, T. H. 2000. *Doing Things Well, Doing Things Better, Doing Better Things: A Guide to Effective Learning*. Sheffield: Inter-Logics.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Brook, C., M. Pedler, C. Abbott, and J. Burgoyne. 2016. "On Stopping Doing Those Things That are Not Getting Us to Where We Want to Be: Unlearning, Wicked Problems and Critical Action Learning." *Human Relations* 69 (2): pp. 369–89.

[Google Scholar](#) [WorldCat](#)

Burgoyne, J. G. 1999. *Develop Yourself, Your Career and Your Organization*. London: Lemos & Crane.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Burgoyne, J. G. 2012. "Beyond Leadership? Is it Approaching Its Sell-By Date?" *The Grove: An International Journal of Experience and Reflection* 1 (1): p. 10.

[Google Scholar](#) [WorldCat](#)

Cohen, W., and D. Levinthal. 2000. "Absorptive Capacity: A New Perspective on Learning and Innovation." In *Strategic Learning in a Knowledge Economy*, ed. R. Cross and S. Israelit, pp. 39–67. New York: Elsevier.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Contu, A., C. Grey, and A. Örtenblad. 2003. "Against Learning." *Human Relations* 56 (8): pp. 931–52.

[Google Scholar](#) [WorldCat](#)

Coopey, J. 1995. "The Learning Organization, Power, Politics and Ideology." *Management Learning* 26 (2): pp. 193–213.

[Google Scholar](#) [WorldCat](#)

Cornish, W., and D. Llewelyn. 2007. *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights*, 6th ed. London: Sweet & Maxwell.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

De Geus, A. 1988. "Planning as Learning." *Harvard Business Review* 66 (2): pp. 70–4.

[Google Scholar](#) [WorldCat](#)

De Grazia, V. 2005. *Irresistible Empire: America's Advance Through 20th-Century Europe*. Cambridge, MA: Belknap Press of Harvard University Press.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Deming, W. E. 1982. *Out of the Crisis*. Cambridge: Cambridge University Press.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Easterby-Smith, M., L. Araujo, and J. Burgoyne. 1999. *Organizational Learning and the Learning Organization: Developments in Theory and Practice*. London: Sage.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Fryer, M. 2011. "Facilitative Leadership: Drawing on Jürgen Habermas' Model of Ideal Speech to Propose a Less Impositional Way to Lead." *Organization* 19 (1): pp. 25–43.

[Google Scholar](#) [WorldCat](#)

Garratt, R. 1987. *The Learning Organization*. London: Fontana.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Goold, M., and A. Campbell. 2002. *Designing Effective Organizations: How to Create Structured Networks*. San Francisco, CA: Jossey-Bass.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Holland, G. 1986. "Excellence in Industry: Developing Managers—A New Approach." Manpower Service Commission Speech given at the Dorchester Hotel, London 11 February.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Hsu, S.-W. 2013. "Alternative Learning Organization." In *Handbook of Research on the Learning Organization: Adaptation and Context*, ed. A. Örtenblad, pp. 298–308. Cheltenham, UK and Northampton, MA, USA: Edward Elgar Publishing.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Laaksonen, O., and M. Peltoniemi. 2018. "The Essence of Dynamic Capabilities and Their Measurement." *International Journal of Management Reviews* 20 (2): pp. 184–205.

[Google Scholar](#) [WorldCat](#)

Learning Company Project. 1996. *The 11 Characteristics of the Learning Company: Diagnostic Instruments*. Sheffield: Learning Company Project.

Leary, M., T. H. Boydell, M. van Boeschoten, and J. Carlisle. 1986. *The Qualities of Managing*. Sheffield: Manpower Services Commission.

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Levin, K., B. Cashore, S. Bernstein, and G. Auld. 2012. "Overcoming the Tragedy of Super Wicked Problems: Constraining Our Future Selves to Ameliorate Global Climate Change." *Policy Sciences* 45 (2): pp. 123–52.

[Google Scholar](#) [WorldCat](#)

Mouffe, C. 2000. "Deliberative Democracy or Agonistic Pluralism?" Reihe Politikwissenschaft/Institut für Höhere Studien, Abt. Politikwissenschaft, 72. Wien: Institut für Höhere Studien (IHS), Wien. Retrieved January 31, 2019, from

https://www.ssoar.info/ssoar/bitstream/handle/document/24654/ssoar-2000-mouffe-deliberative_democracy_or_agonistic_pluralism.pdf?sequence=1.

- p. 103 Nonaka, I., and H. Takeuchi. 1995. *The Knowledge-Creating Company*. Oxford: Oxford University Press.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Örtenblad, A. 2005. "Of Course Organizations Can Learn!" *The Learning Organization* 12 (2): pp. 213–18.
[Google Scholar](#) [WorldCat](#)
- Pedler, M., T. Boydell, and J. Burgoyne. 1988. *Learning Company Project Report*. Sheffield: Manpower Service Commission.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Pedler, M., and J. Burgoyne. 2017. "Is the Learning Organization Still Alive?" *The Learning Organization* 24 (2): pp. 119–26.
[Google Scholar](#) [WorldCat](#)
- Pedler, M., J. Burgoyne, and T. Boydell. 1991. *The Learning Company: A Strategy for Sustainable Development*. Maidenhead: McGraw-Hill.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Pedler, M., J. Burgoyne, and T. Boydell. 1996. *The Learning Company: A Strategy for Sustainable Development*, 2nd ed. Maidenhead: McGraw-Hill.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Pedler, M., J. Burgoyne, and T. Boydell. 2000. *The Learning Company Toolkit*. Maidenhead: Peter Honey Learning.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Pedler, M., and S.-W. Hsu. 2014. "Unlearning, Critical Action Learning and Wicked Problems." *Action Learning: Research and Practice* 11 (3): pp. 296–310.
[Google Scholar](#) [WorldCat](#)
- Pedler, M., and S.-W. Hsu. 2019. "Regenerating the Learning Organization: Towards an Alternative Paradigm." *The Learning Organization* 26 (1): pp. 97–112.
[Google Scholar](#) [WorldCat](#)
- Peters, T., and B. Waterman. 1982. *In Search of Excellence*. New York: Harper & Row.
- Pettigrew, A., and E. Fenton. 2000. *The Innovating Organization*. London: Sage.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Porter, M. E. 1985. *Competitive Advantage*. New York: Free Press.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Raelin, J. 2008. *Work-Based Learning: Bridging Knowledge and Action in the Workplace*. San Francisco, CA: Jossey-Bass.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Scharmer, O., and K. Kaufer. 2013. *Leading from the Emerging Future*. San Francisco, CA: Berrett-Koehler.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Senge, P. 1990. *The Fifth Discipline: The Art and Practice of the Learning Organization*. New York: Doubleday.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Stiglitz, J., and B. Greenwald. 2014. *Creating a Learning Society: A New Approach to Growth, Development, and Social Progress*. New York: Columbia University Press.
[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)
- Teece, D., G. Pisano, and A. Shuen. 1997. "Dynamic Capabilities and Strategic Management." *Strategic Management Journal* 18 (7): pp. 509–33.
[Google Scholar](#) [WorldCat](#)

Tsang, E. W. K. 1997. "Organizational Learning and the Learning Organization: A Dichotomy Between Descriptive and Prescriptive Research." *Human Relations* 50 (1): pp. 73–89.

[Google Scholar](#) [WorldCat](#)

Tsang, E. W. K. 2017. "How the Concept of Organizational Unlearning Contributes to Studies of Learning Organizations." *The Learning Organization* 24 (1): pp. 39–48.

[Google Scholar](#) [WorldCat](#)

Turner, B. 1976. "The Organizational and Interorganizational Development of Disasters." *Administrative Science Quarterly* 21 (3): pp. 378–97.

[Google Scholar](#) [WorldCat](#)

van Knippenberg, D., and S. B. Sitkin. 2013. "A Critical Assessment of Charismatic-Transformational Leadership Research: Back to the Drawing Board?" *The Academy of Management Annals* 7 (1): pp. 1–60.

[Google Scholar](#) [WorldCat](#)

p. 104 Watkins, K., and V. Marsick. 1993. *Sculpting the Learning Organization: Lessons in the Art and Science of Systemic Change*. San Francisco, CA: Jossey-Bass. ↩

[Google Scholar](#) [Google Preview](#) [WorldCat](#) [COPAC](#)

Notes

- 1 From the Latin "com pane"—to break bread together.
- 2 The quoted definition is from the second 1996 edition, which adds "and its context" to the original and more inward-looking definition of the first edition (Pedler et al. 1991: 1).