

**THINKING ABOUT.....LEARNING ORGANISATIONS**  
(Extracts from “The Witch Doctors”  
Micklethwait & Wooldridge, 1997)

- ★ Learning organisations – “places where knowledge is encouraged”
- ★ “It is hard to find anybody...who thinks that knowledge is a luxury”
- ★ Two-pronged:
  - (i) learning how to husband knowledge
  - (ii) learning how to handle those who have the knowledge
- ★ But what is knowledge? Managing knowledge and its impact and benefits is hard unless you can understand, define, locate and measure it.
- ★ “...most people seem to know broadly what a learning organisation should be able to do..” – i.e. innovate; react to changing circumstances; identify and seize opportunities that present themselves; have strategies that enable them to be “ideas factories”
- ★ But, too many think of learning organisations as *products* rather than *processes*
- ★ “...managers who can explain how you create a learning organisation are few and far between...”
- ★ Organisations setting out to become learning organisations must know what sort of knowledge they wish to cultivate
- ★ This must be rooted in the core competences – skills and traditions – that the organisation needs to be successful – and core competences revolve around employees’ learning
- ★ That’s what makes real the “saccharine talk” about “people being an organisation’s most precious resource”
- ★ “Divide up any core competence and you find three things:
  - (i) public knowledge
  - (ii) industry-specific knowledge
  - (iii) organisation-specific knowledge”
- ★ Fundamental to the kind of knowledge learning organisations want to gather are:
  - Employees’ qualifications
  - Traditions of collective behaviour – “how we do things round here”
  - ‘Tacit knowledge’ – “..the informal, occupational lore generated by workers grappling with everyday problems and passed on in cafeterias, not the official rules written down in company manuals and transmitted in compulsory training sessions.”

- ★ Successful learning organisations keep *adding* to their store of knowledge. And they do this in two ways:
  - (i) Sucking in ideas from outside
  - (ii) Ensuring it "...ricochets around the [organisation] like a ball in a pinball machine"
  
- ★ Crucial to successful learning organisations is "...a passion [and a culture] for experiment - and a willingness to fail."
  
- ★ Nevertheless, most organisations will find becoming a learning organisation a hard goal to achieve. Why?
  
- ★ "...learning is hard - and organisations can suffer from learning disabilities."
  
- ★ "Learning organisations are successful precisely because they are so good at generating knowledge in ways that others cannot imitate."
  
- ★ Because of the complexities of making Hollywood films - in particular the hiring of top rank, "freelance" stars, producers, directors, special effects people etc. on an individually determined mix and match basis - studios become in effect learning organisations *par excellence*