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## Leadership capability

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Dick, Bob (in press) Improving leadership capability with action learning. In Stewart Hase and Lester Davis, eds., *Forget the map. Get a compass!* Australian Institute of Management / McGraw Hill Australia.

This chapter describes the use of action learning to improve the capability of managers to lead well during times of rapid change.<sup>1</sup> The major vehicles for developing their capability were project teams and associated workshops providing “just in time” concepts and skills. Middle managers were the main participants in the workshops and the project teams. They are the people who carry much of the burden of keeping workface officers informed and involved in change.

Immediately below I describe the organisation, its reasons for embarking on this program, and the role I negotiated. I follow this in turn by a brief outline of action learning as a methodology, a description of the process, and an examina-

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1. Profound thanks to the many Agency people who assisted with this program. Particularly thanks to Michael, with whom much of the planning was done and who played an important part in the strategising.

tion of the project teams and workshops and their facilitation. Finally, I draw some conclusions about the relevance of action learning for building capability.

## **The organisation and its situation**

The organisation is a mostly autonomous unit within a government department. I'll call it the Agency. It employs several hundred people, many with professional qualifications. Many of the rest are qualified by considerable experience. The Agency prides itself on its ability to achieve its goals. For present purposes other details are not important.

The Agency is faced with many substantial changes, to take place over a period of little more than a year. Some senior managers doubted that their people had the necessary skills and understanding for this. I was approached to help develop the skills and understanding.

## **Contracting**

I believed that it was important that the organisation and I had clear expectations of each other. Before the projects began I had several meetings with the CEO, whom I'll call Keith, and with several other senior managers. In these early meetings we negotiated

- the scope of the assignment and the intended outcomes and timeframe, and
- my role in facilitating the formation of project teams.

In addition, I arranged regular access to Keith and regular meetings with other managers with direct responsibility for change management. Two of these, whom I'll call Michael and Harold, became close allies during the contract. I also negotiated that as far as possible I was there for the benefit of everyone. I was not merely Keith's servant. This was agreed to.

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We decided that training room activities by themselves did not always transfer to on-the-job change. Instead we determined to use the changes faced by the organisation as the vehicle for managers to develop the required skills and understanding. For our methodology we chose a form of action learning.

We anticipated that this would give the Agency several valuable outcomes:

- more systematic planning and facilitation would lead to more effective implementation of changes
- members of the project teams would enhance their change management skills, including communication and facilitation, by actually managing change
- as the projects involved decisions about organisational structure, project team members would develop a deeper understanding of the nature of structure
- these skills and understanding would also enhance their capability as managers and leaders
- most importantly, we intended the managers to become more confident in the use of their skills and understanding and their ability to apply them in new situations, and
- greater openness and communication between managers and staff would build trust between them, which would then further improve communication.

In addition to using action learning processes, we were guided by a model learned from Ed Schein.<sup>2</sup> He and I met when we and some other colleagues worked together in 1980. He envisaged three categories of management skills: technical, interpersonal, and what he called “emotional”. He believed that tech-

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2. Schein, EH (personal communication) 1980. I’m not aware of any written material by Schein on this topic.

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nical (for instance, professional) skills depended for their effective use on good interpersonal skills. Managers achieve through others. This requires interpersonal skills, which depend in turn on emotional skills.

Emotional skills include a willingness to take informed risks and to exercise appropriate responsibility. You might call them self-management skills. Their similarity to the concept of capability is evident. Our intention was that through being more proactive and intentional the managers would enhance their belief in themselves, their ability to learn from experience, and their relationships within the organisation.

## Action learning

As originally devised by Reg Revans,<sup>3</sup> action learning teams (“sets”, as they were called) consisted of individuals (usually CEOs) from different organisations. Revans’ belief was that learning consists both of knowledge, and the understanding that arises from questioning inquiry. He captured this relationship in his well-known formula  $L = P + Q$ , where **L** is learning, **P** is programmed knowledge which is already known, and **Q** is new learning which arises from questioning. CEOs met regularly as self-facilitated groups to help each other to improve and learn from their activities.

Some present-day action learning follows this approach. Another form<sup>4</sup> has arisen in which in-house project teams form around joint projects. These teams are often more heavily facilitated. In both versions the facilitator encourages a climate of questioning inquiry.

As mentioned, we wished to use the change projects as the vehicle for learning. We therefore formed teams around change projects. At the same time we wanted

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3. Revans, RW, *ABC of Action Learning*. Bromley: Lemos & Crane, London, 1983/1998, p4.
  4. e.g. Marquardt, MJ, *Action Learning In Action: Transforming problems and people for world-class organizational learning*. Davis-Black, Palo-Alto, 1999.
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managers to become skilled in team facilitation. Only low-key facilitation was therefore provided.

To develop their own facilitation skills Michael and Harold attended most of the project team meetings. The three of us also became a steering committee for the projects. We met regularly (sometimes with other managers) to discuss the program and plan future actions. To encourage people to set aside their usual Agency assumptions we sometimes held these meetings over coffee in a nearby café.

### **The overall process**

My own preference would have been to begin with Keith, the CEO. I would then have liked to work downward through the organisation, developing the skills and securing the support of each level of management in turn. As far as possible I wanted the senior managers to be able to model the skills we were helping middle managers to develop.

Keith was available whenever I wished to contact him. So were some of his direct reports individually. Access to the whole level of senior management proved to be more elusive.

In the end Michael, Harold and I decided to work directly with the middle managers rather than wait for the involvement of senior managers. Much of the success of the projects would depend on the middle managers' energy and ability.

It was already their practice to meet regularly as a management forum. However, this was not really "theirs". It was an efficient way to communicate to them. We signalled a change, accompanied by a change in name. We worked with them to improve the effectiveness of their meetings and to enlist their cooperation in spreading the changes through the Agency. They cooperated readily.

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In the early stages Michael, Harold and I met as a steering committee to clarify what outcomes we were pursuing and how we would know we were making progress. To keep on track I sought regular feedback from Keith, Michael and Harold. I also provided regular feedback to them.

A project team was set up for each of the change projects to be implemented. Other project teams were chosen by the middle managers to address issues specific to them — for instance to explore ways of creating more time to work on the change program.

### **Project team facilitation**

Michael, Harold and I attended the first two (or three) meetings of project teams. I facilitated the first meeting, helping teams work through four agenda items:

- 1 building relationships between team members; I used exercises which were relevant to the task, and also encouraged people to disclose something of themselves as people
- 2 being clear about the expected outcomes from the project; we did this by listing the outcomes which would tell us that the project had been effective
- 3 reaching agreement on some “process guidelines” to help the team to work together effectively
- 4 identifying absent stakeholders, whose views the project team would solicit or otherwise take into account.

We intended the teams to become quickly self-sufficient. Already in this first meeting I encouraged team members to do some of the scribing of the lists emerging from these preliminary activities. When any team members showed willingness to facilitate as well as scribe we encouraged them to do so.

From the second meeting onward the team members were expected to provide their own facilitation. I spoke up only to offer feedback or to help them realise what they were learning from their experience.

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I *did* urge them to use the last ten minutes of every meeting to review how well they had worked. At this time they compared their team's operation to their process guidelines. They agreed on future changes to their style of operation or to their guidelines. This developed the habit of regular reflection on their operating style and their progress. To my knowledge, all teams continue to do this as a regular discipline.

Most teams quite rapidly assumed responsibility for their own operation. I then negotiated that I would attend again only occasionally, on their invitation.

### **Managers meetings**

While I was working with the project teams, Michael helped the middle managers group to take more control of their own work together. They agreed that

- they would continue to meet regularly
- one of them would facilitate each meeting; typically, a given facilitator took responsibility for about four meetings while a "deputy facilitator" prepared for taking over from them in due course
- they would be more proactive in their relationships with senior management and in preparing their teams for the impending changes
- the current facilitator would be more reflective about the way they worked and how they might continue to improve. The facilitator met with Michael and the deputy facilitator after each meeting.

### **"Just in time" skill development and understanding**

It's not uncommon for action learning to emphasise **Q**, the learning that emerges from questioning inquiry. Programmed learning, **P**, is sometimes given much less attention. In general I support this emphasis. I believe the learning that emerges from experience is deeper and more impactful and does more to

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develop real capability. I think that skills learned through action are more likely to be used again.

However, it became apparent that many managers had only a superficial understanding of the principles behind organisational structure and team operation. Michael and I therefore decided some relevant information on these topics would be useful.

In addition, it was also clear that better interpersonal skills would help team operation. The consulting budget was limited. I was able to spend only a few meetings with each project team. We therefore decided to offer some workshops which all managers were invited to attend. We planned these workshops to address the knowledge and skills for which team members would have immediate use.

In addition Michael surveyed the managers to determine what skills they most wished to develop.

## **The knowledge component**

For the programmed learning component I focussed on a small number of “strategic concepts” — concepts I thought would help managers think about their experience in far-reaching and different and more useful ways.

The most important of these were about organisational structure, including the following.

- The role of organisations is to manage the interdependencies between people or teams.
  - Bureaucracy had been an efficient way of doing this for many years. Now it is ineffective because of the increasing rate of change.
  - Team-based structures are a more change-friendly alternative, but require different skills.
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We tried always to address the practical implications. For instance we examined the outcomes in job satisfaction of team based and bureaucratic structures. We used specific examples when they were available.

### **The skills component**

We emphasised two skills: communication, and its application to facilitating better meetings. As far as possible we approached communication skills experientially. I used a framework based on the work of Viviane Robinson<sup>5</sup> with which people could plan more effective communication in difficult situations. I like it because it was itself based on the seminal work of Chris Argyris and Don Schön,<sup>6</sup> which I use myself.

I think that people have most difficulty communicating in awkward or threatening situations. Learn a fairly simple and memorable technique would increase their confidence with their peers and others, I assumed.

Briefly, the framework views a difficult communication act as having three components

- the *assumptions* the speaker holds about what is happening or has happened
- the *evidence* on which those assumptions are based
- *encouragement* to others to challenge assumptions, evidence or both.

The participants used the worksheets to plan how they might deal with specific difficult situations in actual relationships. In small groups they then helped one another to explore constructive ways of doing so.

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5. Robinson, V, *Problem Based Methodology: Research for the improvement of practice*. Pergamon Press, Oxford, 1993, p. 140.

6. Argyris, C, and DA Schön, *Theory in Practice: Increasing professional effectiveness*. Jossey-Bass, Englewood Cliffs, 1974.

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The sessions were accompanied by activities through which participants examined such issues as the difference between evidence and assumptions, or the effect on a listener of the way certain information was communicated. In this and in the more theoretical components discussed above the intention was to integrate theory and practice.

## Outcomes

Most of the important changes are still to be implemented. The structural changes, however, have been announced. A recent survey suggests that officers are more than usually satisfied with the information they have been given. Middle managers were mostly responsible for this communication. I therefore believe we achieved some success in encouraging the middle managers to be more proactive and to communicate more effectively.

An indicator of the new spirit of the managers' group can be found in their greater sharing of staff when a section is experiencing overload. Formerly, expressions of interest were gathered from staff interested in a temporary transfer to the section in need. This, which was often seen as "taking from each other", has almost completely ceased. The managers now bring their requests for help to the managers' group. It takes responsibility for finding the resources.

More recently there is some evidence that more senior managers are communicating more and giving more attention to defining their role.

Hase and Davis (this volume) describe capable people as people who, among other things

- know how to use their competencies in novel as well as familiar situations
  - know how to learn
  - have high self-efficacy, and
  - work well in teams.
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The emphasis of the program has been the development of better team skills by middle managers. We are confident that they improved their work in teams substantially. We observed this both within the middle management group and in the project teams which they took part in and facilitated. We also have indirect evidence that they have improved their facilitation within the team where they are team leader.

There are early signs that the relationships between middle and senior management has improved. This seems to be mostly because of the greater willingness of middle managers to take initiatives. In turn, this has encouraged senior managers to display greater trust in middle managers, further enhancing the relationship. There is some evidence, then, that the middle managers have used their competencies in ways they haven't before used them, and have shown greater self-efficacy.

We would also claim that managers enhanced their willingness and ability to learn. Initially they changed meeting procedures because of our facilitation and suggestions. They continued to improve them because of the regular reflection and review which they adopted.

Of the criteria of Hase and Davis I have omitted creativity and values. I have less evidence for these. I do not know if the creativity and values they exhibit were present before the program began. The indications, however, are that the Agency is now better placed to manage change because of the increased skills and understanding of their middle managers.

## **Conclusions**

As Michael and I have monitored the program we have noted several factors which appear to have contributed to the outcomes. I describe them briefly below.

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*Support from the top* was important. Keith was available to talk about the program at any time. He readily accepted feedback on his own behaviour. He changed his behaviour towards the managers as the program progressed.

Having a combined *external/internal team of facilitators* offered advantages beyond a team only of internal or of external people. An internal facilitator is likely to have a better knowledge of the organisational politics. This Michael certainly had. He was also willing to take informed risks in encouraging people to try new approaches. I brought wider experience to the organisation, and perhaps greater credibility because I was external.

Michael and I were keen that he and Harold learn from the program. As a result, they will be able to play a greater role in future change. In future the Agency will be less dependent on consulting help.

*Self-facilitation* was encouraged. We didn't want the teams to become dependent on us. Helping the project teams to start well has influenced team behaviours elsewhere in the organisation.

The *middle managers* have been good catalysts for change. As I said earlier I would have preferred more involvement from senior managers. I now think that the middle managers were well placed to introduce important and relevant changes. In future I will be readier if necessary to bypass senior managers to work with middle managers.

We used *multiple means* to enhance the capability of the middle managers. On different occasions Michael and I worked directly with managers and their teams, or the managers group. We provided direct facilitation to project teams. When managers took over the facilitation we provided coaching for them.

*"Just in time" skills and theories* are more likely to be used in practice. Much of the learning happened in the project teams. When we provided other concepts and skills we were guided by the present needs of the participants.

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*Learning by doing* and *theory-practice integration* are emphases of action learning. These, too, increased the likelihood that managers would actually make use of their new understanding and skills.

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