

Supporting Organizational Learning: From the Inside or the Outside

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While all of us in this room may be believers, it's important to begin by asking why a foundation would prioritize learning. Certainly, one could argue that it's integral to a more strategic approach to philanthropy. If you're focused on outcomes, and are serious about being effective, it's important that your strategy and your decision making be informed by knowledge...including the lessons learned from your own work. So, building a culture that values reflection and learning – even in the context of a “lean and mean” operation characterized by a “sense of urgency” – makes good sense.

But although a process of continuous learning could be perceived as an institutional asset, it could also be seen as a threat by others within the organization. After all, a culture of candor and openness makes mistakes transparent. And often our most important moments of learning can come at moments of personal discomfort. I'd suggest that it's difficult enough to build that kind of culture from scratch in a brand new organization. When you're trying to shift the culture of an existing organization in that direction, what are the incentives for one's coworkers to embrace something that they might view at best as an “add on,” and at worse as a nuisance or a potential source of embarrassment?

We don't like to talk about power in philanthropic organizations, but a key factor in culture building is who has the power to make decisions regarding priorities, resource distribution (including the use of time), visibility (e.g. special initiatives), and other important rewards (titles, etc.). Unless those who wield power (i.e. the CEO and other senior managers) are squarely and unambiguously supportive of this “culture of learning,” you're facing a real uphill (and probably futile) struggle. All the incentives need to be lined up in the direction of learning, and that's power that is typically not delegated to a director of organizational learning or evaluation.

Which raises the question, where structurally within the organization should the responsibility be placed to implement this worthy goal of culture building? Even if the Director of Evaluation/Organizational Learning/Assessment draws the assignment, the real authority to align the incentives for staff resides with the VP of Programs (or structural equivalent). Reporting relationships are important both symbolically and practically... does the Director of Evaluation report to the VP of Programs, the COO, or the CEO? One way or the other, however, the Director of Evaluation and VP of Programs need to be joined at the hip in intent and action ... or there's the potential for conflict and jostling for position and authority. It's a team effort if it's going to be successful.

Whoever the key Insider is, the advantage they bring is positional power, although in practice that may simply mean the power to persuade. If the Director of Learning and VP of Programs join forces, however, they can build learning into the formal structures of the organization, including the way grants are reviewed, staff meetings are conducted, board writeups are prepared, and procedures for staff evaluation. They can also lead the

transformation on a daily basis, reinforcing the learning message at every opportunity and modeling good practice. Insiders also have the benefit of deep knowledge of the context of the organization and its denizens, although that comes with a cost. They are also immersed in the culture of the organization and shaped by it. Any insider consequently is likely to have blind spots that come with that immersion.

Insiders, no matter how powerful, also have limited capital to expend on risky ventures such as asking others to change their behavior. That's particularly true if the common opinion is that "things are OK as is." Familiarity can also breed disinterest, if not contempt.

What can an outsider contribute? She offers an opportunity for candor, independent perspective and feedback from outside the organization that might not otherwise be heard. If she is able to achieve rapport with the CEO and Board, she might also open up windows for candid reflection and disclosures in 1:1 conversations that might ordinarily not be expressed. I've found as an outsider that Board members have readily opened up to me about things that they might not have shared with other Board members or the CEO.

An outsider can also provide valuable affirmation, reassurance and reinforcement for risk taking. She can challenge the status quo by asking "what if" questions and also encourage the aspirations of the group to "be the best they can be." One way to do so is to share experiences from other venues to give the insiders new comparison points by which to benchmark their own progress and potential. At the end of the day, the outsider has the power to suggest, backed by whatever perceived credibility she brings.

The outsider is quite limited when it comes to implementation however. She has no authority to change anything, and her discontinuous face-to-face engagement with the organization means she is likely to miss out on key developments that occur in her absence. No matter how much she is able to glean from post hoc interviews, it's not the same as being there when changes are occurring. Any outsider also faces a relatively steep learning curve regarding the people and organizational context, but that can also be an asset, as she has no complicated history with individuals or factions.

The best hope for culture change lies in a fruitful partnership between insider and outsider that maximizes the strengths that each has to offer. The outsider's perceived credibility can help the CEO and Board to take a strong stand in favor of culture change, in the process empowering the key insiders to make changes and realign incentives. The outsider's fresh perspective can also be valuable to insiders who can get bogged down in tactical maneuvering. Meanwhile, the insider can help to provide crucial context and lead the change process on a daily basis. The outsider can serve as a sounding board in that process and can also be brought in at key junctures to "take the point" and carry messages and reinforce changes in a way that adds luster to the efforts of the insiders... call it a "tag team" approach to culture building.