

Ryan E. Smerek, *Organizational Learning and Performance: The Science and Practice of Building a Learning Culture*, Oxford University Press: New York, NY, 2018; 190 pp., ISBN: 978019064837-4, \$45

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The importance of organizational learning for adaptation in increasingly complex and ever changing competitive environments is impossible overstate. In an environment characterized by market globalization and digital revolution obtaining physical and financial assets, which were traditionally sources of competitive advantage, is easier than before. In these circumstances, the ability of organizations learn from their internal and external environments, and transfer that learning across the organization for generation of knowledge and innovation is now the basis of competitiveness. The increasing strategic importance of organizational learning, has been voiced by scholars and practitioners alike resulting in growing research on organizational learning which has contributed to the development of wider literatures on organizational theory and strategic management.

Ryan Smerek's recent book *Organizational Learning and Performance: The Science and Practice of Building a Learning Culture* is one of the most recent additions to this growing literature. The link between organizational learning and performance improvement is well-established now (e.g. Garvin, 1993; Levitt and March, 1988) and in his quest of finding a unique lens to explore this link Smerek has decided to focus on people's ability to learn and on organizations' cultures of learning. This decision seems to have sidetracked him, and hence the

readers, away from what the title promises the book's purpose is – to cipher out how to improve organizational performance through learning. There is little on how organizations learn or how they can use that to improve performance, though the book's subtitle captures Smerek's focus better. Smerek, along the eight chapters, is more interested to provide an indication of values and mindsets associated with learning at individual and organizational levels. It is a well-researched book drawing on a broad and diverse range of literature supported with illustrations through stories of and examples from organizations. However, I was disappointed that he did little to reveal the mechanisms that would transform values and mindsets he introduces to organizational learning.

The main message Smerek tries to get across in Chapter 1 is the importance of building a learning culture for innovation and sustainable competitive advantage. Following the story of WD-40, a household chemical manufacturer trying to break away from path to stagnation, Smerek argues that a change in mindset is needed which involves avoiding short-termism, shying away from what the organization does best and focusing on new avenues instead. He positions himself in the wider learning literature and throughout the chapter Smerek introduces many important theoretical concepts to support his argument. However, what on the surface appears to strengthen his argument, paradoxically, also dilutes the message for the novice reader. Many of the concepts he covers are quite complex with a hefty baggage following them, such as exploration and exploitation (March, 1991), survival anxiety and learning anxiety (Coutu, 2002), adaptive learning and technical learning (Schön, 1983), organizational learning mechanisms (Lipshitz et al., 2007), and learning from performance feedback (Greve, 2003). Summarizing book-length ideas behind these concepts is not an easy task and while academics reading the book might not need a lengthier discussion on these concepts for many readers to whom these terms are new and unfamiliar the take-home message might be unclear.

Chapter 2 is the first chapter in Part I which focuses on learning as an individual. Here, Smerek explores different forms and levels of individual learning. The metaphors that Smerek explores in the chapter make for an interesting read and the reader can clearly see how aptitude for and quality of learning improve as individuals move from using their mind as a computer to a reflective tool. However, the reader is left hungry wondering how these three metaphors manifest themselves in managerial and organizational contexts and how they can be fostered in a way to contribute to organizational learning and performance.

After reading Chapter 3, where Smerek explores four individual thinking dispositions central to developing a learning orientation, the reader is likely to feel hungrier. Smerek's discussion of growth mindset, curiosity, achievement orientation and intellectual humility alludes a link to organizational learning. But how exactly these thinking dispositions interact with organizational learning at that macro level and how organizations can foster such thinking dispositions in their individual members or capitalize on these to improve their learning and performance? It is easy to see how having a growth mindset or curiosity will make an individual more learning orientated but clearly having such individuals in the workplace will not automatically result in organizational learning.

Ultimately organizations learn via their individual members and hence theories of individual learning is a good starting point for understanding organizational learning. However, learning at the level of the organization may not be the sum of the individual learnings (Simon, 1991), hence individual learning is necessary yet insufficient for organizational learning. Smerek's does not explicitly acknowledge this in Part I which results in a lack of exploration of what happens when learnings of individuals interact with intra-individual and organizational factors which would have been an important discussion for linking individual learning to organizational learning.

Part II commences with Chapter 4 that introduces us to Bridgewater Associates, a hedge fund that possesses norms which, at the end of chapter, are disclosed as contributing to its ability to learn. The norms of transparency and pursuing the truth, self-censorship and psychological safety, and mindfulness are discussed with supportive quotes and organizational practices from Bridgewater. While these norms are indubitably critical elements of a learning culture by examining different organizations Smerek could have expanded on the list of norms significant for learning, which would have increased the appeal of the chapter for organizations whose cultures would support different yet equally contributive set of norms.

Chapter 5 introduces a well-known idea in the strategic management and change literature, that of big picture thinking. It is an interesting choice to devote a full chapter on this and accompanying principles in a book on organizational learning. While Smerek is convinced that big picture thinking “can propel learning” (p. 105) as “an organization committed to a motivating vision is more likely to learn and improve” (p. 115) the mechanisms behind this remains unclear. While some of the ideas introduced such as mental contrasting (p. 107 citing Oettingen, 2012), and negative discrepancy (p. 107 citing Bandura, 2005; Senge, 1990) can certainly trigger learning by generating performance information affecting organizational responses in terms of behavioral adaptation and change (and thence learning), such links are not stated explicitly by Smerek. Only an astute reader, already familiar with the workings of learning systems, can see how the energizing vision that big picture thinking provides can be used to drive learning in an organization. By articulating how an organization’s vision, mission and purpose can be used to channel organizational learning and development initiatives Smerek could have increased the value of the chapter for the practicing manager.

A wide range of mechanisms that would enable organizations to learn from failure are introduced in Chapter 6 making it the most insightful chapter of the book, in that it can be turned into tangible actions. Readers are introduced to pre-mortems, post-mortems, blameless

reporting systems, system analysis and high reliability organizations with specific examples from the Children's Hospital and Clinics of Minnesota making the ideas come alive. The chapter is packed with inspiring practices and processes that practicing managers can consider applying to their own organization to improve their learning climate.

Chapter 7 provides a great introduction to design thinking and its principles and it is a chapter that someone who is half convinced about the contribution that organizational learning can make to performance would want to read to learn of other ways to improve organizational performance. However, the more discerning readers will inevitably ask themselves: why Smerek discusses design thinking in a chapter titled "Learning and Innovation"? Is embracing these principles enough to be an innovative organization? And even if the answer to the previous question is yes, what is the relevance of design thinking principles to organizational learning? I have no answers for the first two questions but one possible answer to the last might be that Smerek sees design thinking as one way to learn from the market (i.e. the external environment). However, such learning cannot be forthrightly classified as organizational learning unless this contributes to creation, retention and transfer of knowledge about the market.

As expressed in Chapter 8 leadership is the nub of what may become an effective learning organization. Smerek starts off with a thought-provoking discussion of psychology of power tying in relevant concepts and vignettes from earlier chapters. The perceptive reader can immediately see how power can restrain or advance building a learning culture in an organization. The key leadership features Smerek discusses later in the chapter are "having a clear, teachable point of view" (p. 162) and building mental complexity which about "increas[ing] the variety of ways we can make sense of the world" (p. 166). Even though I am not entirely clear on how a teachable point of view can contribute to organizational learning the latter is definitely an important feature not only for leaders but for employees working at all

levels and essential for increasing individual aptitude for learning and change. As such, I am surprised that Smerek has chosen to cover this under the leadership chapter of the book and not in Part I where learning as an individual was discussed.

After reading the book managers will not immediately be able to turn their organizations into learning organizations as the back cover would persuade. But the book is rather a quite informative introduction to some organizational norms and mindsets that managers can consider evaluating their own, their employees' and their organizations' aptitude to learning. At its heart, the book is a reminder that organizational learning requires an improvement in the organizational members' aptitude for learning and change and this requires to be self-aware of thinking dispositions, mindsets, values and norms we use to make sense of the world and of new knowledge encountered. Let us read Smerek's work that way, as a phase in improving our openness to novelty and to learning, rather than a prescription on how to turn our organization into a learning organization.

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