The Age of Agility

Building Learning Agile Leaders and Organizations

Edited by
Veronica Schmidt Harvey
Kenneth P. De Meuse

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THE SIOP PROFESSIONAL PRACTICE SERIES

Series Editor
Nancy T. Tippins

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VERONICA SCHMIDT HARVEY
AND
KENNETH P. DE MEUSE

This book is dedicated . . .

. . . To my husband John who has challenged me to stretch my boundaries, helped me develop new mindsets, shared his own leadership experiences, supported me during stressful times and believed I was capable of achieving more than I dreamed.

VSH

. . . To my wife Barb whose unconditional love and unwavering support enabled me to chase my dreams, follow my passions, and experience the world. Learning agility has provided the language to understand the impetus for this portfolio career.

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Preface

The Professional Practice Series is an integral component of the strategy of the Society for Industrial-Organizational Psychology (SIOP) to achieve its goal of being the premier professional group advancing the science and practice of the psychology of work. Over the years, the editorial boards of the Professional Practice Series have tried to determine the needs of practitioners of industrial and organizational psychology, develop book ideas to meet them, and identify editors who can execute the ideas. In some cases, the goal has been to update industrial and organizational (I-O) psychologists on a "core" I-O topic; in others, the objective has been to present a new or rapidly evolving area of research and practice. A challenge is always to find experts in those areas who are well-grounded in both research and best practices.

During my tenure as editor of the Professional Practice Series, the editorial board realized that the topic of learning agility was one of increasing interest to the I-O community and, perhaps more importantly, recognized two outstanding I-O psychologists in this field, Veronica Schmidt Harvey, PhD, & Kenneth P. De Meuse, PhD. This volume, *The Age of Agility: Building Learning Agile Leaders and Organizations,* addresses a topic of great importance to organizations, particularly with respect to identifying high-potential employees and developing leaders who are capable of managing new business challenges in a rapidly changing context. The editors of this volume blend science and practice seamlessly and provide an engaging and highly readable book.

The Age of Agility is organized into four sections. In Section I, the book begins by defining learning agility and explaining its relationship to leadership. The first five chapters cover what the construct of learning agility is, what its theoretical underpinnings are, how it can be measured, how well it predicts leadership behaviors, and what the neuroscience of learning agility is. Seven chapters that focus on the development of learning agility comprise Section II. The first of these chapters offers a heuristic model. Then, four chapters in this section present different approaches for its development, such as mindfulness, getting out of one's comfort zone, feedback seeking, and reflection. Two more chapters discuss a developmental process for acquiring

learning agility and the role of resilience in the face of failure. Section III explores the talent management practices that support the development of learning agile organizations. Various chapters provide a framework for building learning agility, evidence-based advice on becoming a learning agile organization, and creating a psychologically safe work environment to support learning agility. The two chapters that conclude this section focus on how the development of learning agility fits into the bigger picture of leadership development. The final portion of the book, Section IV, summarizes the key messages and lessons learned in the preceding chapters and highlights the research gaps that exist. The remainder of the book presents 10 real-world case studies. Written by practitioners, these case studies provide valuable lessons on how learning agility has been introduced and applied by various private and public organizations from around the globe.

A book of 20 chapters and 10 case studies is a significant undertaking for many people. The editorial board of the Professional Practice Series and I are grateful for the work of all involved. Veronica and Ken have done an outstanding job in structuring the book, identifying authors, and editing content. The authors of these chapters are clearly experts in various aspects of learning agility and have consolidated their experiences and research into highly readable and useful chapters. A particular word of gratitude goes to the authors of the cases studies, who have candidly shared their own experiences and lessons learned. Last but not least, the continued partnership of Oxford University Press has helped the Professional Practice Series inform a broad audience on timely topics.

I am confident this book will advance practice and science in the area of learning agility and help achieve SIOP's goal. I hope you will enjoy it and find it as useful as I have.

Nancy T. Tippins
Series Editor
2013–2019
May 2020

Backword

A Backward Glance From the Founders
of Learning Agility

The year was 1988, and we were trying to get a handle on this sort of "X factor," now called "learning agility." A group of us were conducting a research project with four corporate sponsors, including PepsiCo, where Bob was head of talent management at the time.[*] The question we posed seemed clear from our previous studies on male and female executives and summarized in the books, *The Lessons of Experience* (McCall, Lombardo, & Morrison, 1988) and *Breaking the Glass Ceiling* (Morrison, White, Van Velsor, & the Center for Creative Leadership, 1987). We knew that some executives gain skills and insights from experience and others, just as bright and just as accomplished, gain little. By then, we also knew about the dynamics of careers—what derails the promising, the role of luck, the power of first-time assignments, and all the other factors that can lead to derailment or success. What we couldn't understand was: "How do you learn what to do when you don't know what to do?"

The data were clear. Some people thrive in first time situations and many, most really, reach into their bag of tricks and pull out something that worked in the past. Mike remembers being captivated by a fascinating failed experiment. A simulation of a beer company was designed so that no matter what you did, nothing worked. The goal was to spur inventiveness. Unfortunately, the experiment was abandoned when no group came up with a new strategy, simply reaching into its bag of old tricks to pull out a past solution. And he thought, this experiment was filled with managers—bright, motivated people! Whatever inclination they must have possessed to tackle the new and

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[*] Mike, Kerry Bunker, and Amy Webb were the leaders of learning from experience research at the Center for Creative Leadership (CCL) at that time.

different must have somehow been discouraged and eliminated in service to the tried and true.

Organizations emphasize "more of the same" jobs—a little more of this, a twist on that. The new and different is avoided until it cannot be. So, learn to skate and keep skating harder and better. This works great until you have to skate backward and jump some obstacles. We thought if we prompted high potentials to go beyond the obvious constrictions many organizations place on them, we could learn the nature of learning new behaviors, whether they be strategic, self-development, intellectual learning, or nuts-and-bolts skills.

And many did go beyond the constrictions. One memorable guy overcame his controlling nature sufficiently to have his kids plan the family vacation. Another went from pariah to friend with colleagues. But, there were others, including one who insisted on underlining known facts and telling us that forming buckets of thematically coherent but conflicting facts and assertions was, well, just wrong. Kerry Bunker (one of the CCL leaders), challenged high potentials and high performers one by one to pick an event in a mythical track meet he was hosting later that day. Not a person picked anything slightly different or slightly stretching. Most of them had learned to play it safe and not risk much.

We concluded that learning from first-time experiences is not much sought after, is tough, and, as one manager put it, "Let's see—I should pick something I don't know how to do with people who don't think I can do it and see if I can learn something from nothing. Can't wait." No wonder we called these challenges going-against-the-grain (GAG) assignments. But, this is the nature of growth. None of us comes out of school knowing how to manage older or balky employees, start units from scratch, fix the broken, successfully navigate wild periods of growth, and so on.

The development of those who lead well is the land of the first time and the risky. Success and failure will be obvious. In fact, they are the number 1 reason managers and executives cite an experience as developmental. That holds true for challenging jobs, courses ("I have got to know this right now to succeed at a project"), overcoming a failure, or learning from a bad boss. Adversity and diversity can lead to growth.

As our interest was and is in what might help someone on Monday, we (Bob and Mike) set out to capture what additional learning tactics helped when you didn't know what to do. We already had an initial list from the CCL male and female executive studies. In addition, we used the findings from the study previously mentioned with four corporate sponsors, as well

as about 10 additional samples we collected while Mike was at CCL or that we conducted when we started our firm, Lominger. (For those of you whom might not know, Lominger is a combination of our two last names, "Lom"-bardo and Eich-"inger.")

We also looked at learning style research to find allied findings along with studies of resourcefulness, flexibility, resilience, openness, curiosity, grit, persistence, adaptiveness, accommodation, learning on the fly, fluid intelligence, and how learning new things creates new neural pathways. As few used the same terms and many of the learning tactics were vague, we decided we needed a new name and a new start. We picked the name *learning agility*. Since then, there has been robust academic debate both pro and con and much definitional enhancement and measurement. Now, the concept of learning agility, the 70–20–10 rule of development, and the 9-box talent management matrix are ubiquitous in most large companies.

From all of these sources, we came up with a list of about 150 behaviors we believed either characterized the behavior or were characteristics of those individuals who are willing to go against the grain. We measured these and reported them in a journal article published in *Human Resource Management* (Lombardo & Eichinger, 2000). Both of us felt that try as we had to get others to articulate how they learned these new behaviors and skills, very few people had any idea. What we usually heard was *what* people learned, not *how*. So, we were heartened that our results hung together in coherent factors and that those with higher learning agility are higher in potential and perform better once promoted.

More importantly, learning agility has turned out to be as egalitarian as we hoped it would be. Not gender, level, or age had an effect. An independent study showed that learning agility was not a surrogate for intelligence or personality factors (Connolly & Viswesvaran, 2002). Learning agility scores were essentially unrelated to IQ or personality variables and accounted for all the significant relationships with performance and potential. It was clearly, but not easily, developable. Certain personal characteristics, such as an interest and facility in abstraction and conceptualization, were necessary to complete the picture—so not just learning tactics, not just personal characteristics, but both.

The one regret we have is using the term *learning*. Learning agility is not highly correlated with cognitive horsepower or IQ. That has been difficult to explain. It is more related to conceptual complexity and pattern recognition. It is *closer to broad perspective, openness to change, and changing one's*

behavior without poisoning relationships with others. In hindsight, maybe we should have called it "adaptiveness."

Regardless of terms, our idea turned out to be a thing unto itself, not something dragged along by intelligence or a Big Five personality factor. Of course, IQ and the Big 5 matter. We had just tapped into an additional source of variance that added to their ground-floor importance. Our view was and is that if IQ and a certain Big 5 profile get you in the game, learning agility is essential to stay in the game across time.

What we find most satisfying is that 62% of companies surveyed use the concept basically as we intended, as a measure of potential and of performance in first-time, high-stakes situations (*"Potential: Who's Doing What,"* 2015). Learning agility is indeed necessary for the long run.

Michael M. Lombardo, PhD
Cofounder of Lominger
Robert W. Eichinger, PhD
TeamTelligent, LLC and Cofounder of Lominger

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Foreword

As you look around while reading this introduction, think about what is "new" in your life during the last 10 (or pick a number) years. What is new about the place (house, office, hotel, or airplane) where you are reading this? What is new about your work—the industry and who your customers, investors, and competitors are and what they expect? How and where you are working with technology and the digital age? What about the pace of change that determines what challenges you are working on and how long you have to solve them?

I am writing this Foreword in the middle of the coronavirus pandemic. During the last 30 days—not months, not weeks, but days!—My personal life and professional agenda have been completely upended. While there may not be sudden global shocks as dramatic as the coronavirus, there are ever-increasing and unpredictable changes that disrupt our personal and work lives. We have lived for decades in a world marked by volatility, uncertainty, complexity, and ambiguity (i.e., the legacy VUCA mantra from the 1980s describing how to define the context of work). Thirty years later, the VUCA model is operating on steroids as the intensity and time horizon for change increases (Peterson, Chapter 13). Yet in this hyper-VUCA world, making sense of the complex is increasingly important (Heaton, Chapter 17). The half-life of what we know and what we should do is changing dramatically. As a professor and advisor, I now need to have 25% to 30% new ideas every 12 to 18 months. (Oh! How I long for yesterday.) A few days ago, I was working with a group of college students and I asked them to "email me questions." Gasp! Guffaws! Snickers! How out of date can I be?!!

Context for Learning Agility

I have proposed that "content is king" but "context is the kingdom." The content (strategies and design of an organization and competencies of leaders and individuals) required by business leaders must adapt to the context in which the content occurs. And, the business context is surrounded by unparalleled

velocity and intensity of change. In this face of change, so many respected companies are gone (Amoco, Arthur Andersen, Bear Sterns, Blockbuster, EF Hutton, Kodak, General Foods, Netscape, Sears, Toys-R-Us; De Meuse & Harvey, Chapter 1). Much of the fuel for this hyperchanged world is technology like artificial intelligence, cloud computing, machine learning, and robots, which creates digital information asymmetries that ever so rapidly change the work context.

So, how does a company respond to a context of hyperchange? The words describing this response are many: transform, innovate, adapt, flex, change, reinvent, re-engineer, shift, pivot, renew, and so forth. In this outstanding anthology, the term *learning agility* captures the essence of these divergent ideas.

Content: Definition and Relevance of Learning Agility

The two words—*learning* and *agility*—combine to be very relevant. Agility is the capacity to adapt and change. Some organizations can do so as they experiment, benchmark, and continuously improve. Learning turns those change events into sustainable patterns. Agility without learning is chaotic, unfocused, and seemingly random events and activities. Learning without change is running faster in place. Combined, learning agility is the ability to create a future, anticipate opportunity, quickly respond, and learn always (see the evolution of learning agility by Lombardo and Eichinger in the Backword).

Stakeholders for Learning Agility Application

The underlying principles of learning agility apply to strategy, organization, leaders, and individuals as each stakeholder creates a future, anticipates opportunity, reacts quickly, and learns always. Learning agility and adapting to changing external circumstances have spawned a tsunami of assessments and measurements (Boyce & Boyce, Chapter 4), tools, and interventions (De Meuse & Harvey, Chapter 1). And, it matters. Learning agile strategies aggressively shape market opportunities more than simple seek–to-grow market share. Learning agile organizations adapt quickly to new market conditions and inspire entire industries to change and evolve. Learning agile leaders make

proactive choices that position their firms to win in the marketplace. Learning agile leaders progress in their personal careers by saying and doing things that create a future for their organizations, their employees, and themselves.

Strategic Learning Agility

Strategic learning agility differentiates winning business strategies as they pivot from

- industry expert to industry leader;
- market share to market opportunity;
- who we are to how customers respond to us;
- penetrating existing markets to creating new and uncontested markets;
- beating competition to redefining competition; and
- generating blueprints for action to crafting dynamic processes for agile choices.

Strategic learning agility is less about what an organization does to win now and more about how it builds capacity for continual strategic change. It means continually and rapidly updating choices about where to play and how to win. This means stepping into an unknown space rather than penetrating existing spaces (McCauley & Yost, Chapter 8). Strategic learning agility also requires understanding the business context and environment and anticipating future stakeholder wants and needs. For example, strategically seeking out customer-focused insights leads to co-created products and services.

Organization Learning Agility

Organizational learning agility enables the organization to anticipate and rapidly respond to dynamic market conditions. More agile organizations win in the customer and investor marketplaces (Ruyle, De Meuse, & Hughley, Chapter 14; Leisten & Donohue, Chapter 16). Organizations that cannot change as fast as their external demands quickly fall behind, never catching up. Rapid response to future customer opportunities and fast innovation of products, services, and business models differentiate organizations that win.

Organizational learning agility is enhanced when organizations (a) create autonomous, market-focused teams that can move rapidly to create and define new opportunities; (b) allow values to evolve to match the desired culture and firm identity; and (c) discipline themselves to make change happen fast. These organizations continually experiment, improve, remove boundaries between internal silos, and interact intimately with customers outside the four walls of the company. They create networks or ecosystems for improvement. We have called this new organizational species a *market-oriented ecosystem* (MOE) and identified six principles for its operation in our book, *Reinventing the Organization* (Yeung & Ulrich, 2019).

Leadership Agility

Leadership learning agility matters because leaders are often the bridge between the organization and individuals throughout the organization. How leaders think and act creates an organizational culture and models accepted individual behavior. Learning agility has been found to be one of the key indicators of effective leadership at every level (Dai & De Meuse, Chapter 2).

Nearly every chapter in this anthology identifies the importance and actions for leadership learning agility, which becomes a core differentiating competence of effective leaders at all levels and across industries (Dai & De Meuse, Chapter 2). High-potential leaders can be identified based on their learning agility (Church, Chapter 3), which can be defined, assessed, and improved to create a leadership pipeline. Learning agility applies to many leadership processes around people, change, cognition, and results (Heslin & Mellish, Chapter 11). Learning agile leaders seek opportunities to do more than rehash the past, create more than replicate, and inspire others to be their best selves.

Individual Agility

Individual learning agility is the ability and internal motivation of people to learn and grow. More agile individuals find personal well-being and deliver better business results. Individual learning agility is the competence of an employee to learn and grow as a leader—in formal positions of supervision or informal roles on a team. It becomes a basic element of talent management