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Projects as opportunity to drive lasting organizational learning¹

Projects can teach the line organization new functionality and enable learning by developing structural patterns and appropriate management options. They are understood here as self-contained and time-bounded organizations which create a simultaneously stable and flexible framework for innovation and learning. (See for example Ibert, 2011; Davies & Hobday, 2005) This article focuses on the question of which conditions are necessary for line organization and project reciprocally to create optimal conditions and for learning potential to be used fruitfully by the line organization. It is an attempt to look behind the scenes. To this end qualitative interviews were conducted with line managers, sponsors, project managers, and project team members of eleven case studies in Central and Eastern Europe. The cases were chosen from among the author's long-term consulting cases with eleven clients who worked on their development and their learning as management and organization. They are from different industries: two banks, steel manufacturing, two universities, a foundation, telecommunication, consulting, political organization, research institute, and public administrative sector.

The results of the research show that the more projects are seen as different, as 'sheltered workshops', the more they can try out new and high-risk ventures and the more they learn from failures. The line and the project organization serve as environment to each other and are at the same time dependent on each other; each is enabler for and beneficiary of the other. Differences and conflict relationships between line and project in terms of organization, management and learning culture can bear fruit for this learning. The case studies showed the following seven conditions for long-lasting learning for the line organization:

1. Recognition of projects as urgency creators for learning

If the project's potential to highlight differences and weaknesses and create urgency for learning within the line organization was appreciated, it could be used as a learning source: Those involved spoke of hurdles, inflexible, dysfunctional, selfish, short-sighted management, rigid structures and urgency for change and learning. The 'sense of urgency'² was seen as massive; making the effort to change was a struggle:

"We had invested too much in relation to the results achieved. A lot of what was good couldn't be realized. We have to approach the whole thing completely differently, set up differently, prepare the implementation differently ... we have to change a lot in our line and project culture. We have to deal differently with our projects; otherwise the results

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² In John Kotter's terms for urgency for change (see Kotter, J. 2005).

are not useful for us ... How? This is still unclear.” (CEO, mid-sized manufacturing company)

2. A high degree of management awareness for learning through the project

Against the background of their structural, leadership and cultural patterns, organizations (the management as system) had different degrees of awareness for learning through projects and dealing with uncertainty. Learning potential depended on the line organization management’s awareness of the project’s learning purposes. The following types of purposes were seen:

'Submarines' showed little movement towards learning:

“We tried to find a solution for the president's desire to create the strategy. He gives no clear guidance, he has his ideas. So we came up with a rather silent project, a submarine.” (Project member, political organization)

'Problem solvers' showed little movement towards learning:

“We are well known for outsourcing and centralization of databases. Our clients are mostly satisfied; nevertheless, cooperation with the client and implementation are the big challenges.” (Project manager, IT consulting)

'Changers' showed good learning conditions:

“With this project we have to change the entire organization, from side-by-side silos to a network and process orientated organization. A risky innovation project that changes the whole structure.” (Sponsor, banking sector)

'Inventors themselves' showed perfect learning conditions:

“This identity project, it changes and shapes us through and through. Each person, team, partner, department is forced to look at their beliefs, mind-sets, management culture. We all invent ourselves anew.” (CEO, foundation)

3. Overcoming the blaming culture by looking to the ecosystem’s future

The pattern of dealing with failure was crucial. Blaming others (individuals, teams, the project, management, the line organization) was a common reaction to unexpected expectations, behaviors and outcomes. Those involved saw that blaming hinders line and project development. Working together through the process of switching perspectives was most successful when teams committed themselves to learning together to change their observation patterns. They reminded each other to overcome the pattern and look at the ecosystem (line and project). Opening the perspective for a joint future was key to overcoming the vicious circle of 'blaming culture'.

“It was a hard way to learn: this problem was yesterday, today we have to look anew into the future and learn from yesterday. It helps us to focus on a new picture, prevents us

from getting stuck in yesterdays' failures. We have to work more like a trial-and-error system." (Program manager, telecommunication)

4. Appreciation of projects as independent living organizations

Projects had potential to be incubators for innovation and learning for the line organization if they had a high degree of independence resulting in a strong sense of self. Projects invented their own structures and ideas of leadership fitting their own requirements. The more complex the social and content requirements, the greater the project organization's need for independence and risk tolerance. The higher the level of innovation and learning, the greater the need for the project to create its own structure, leadership and team culture. Projects used freedom and learning better than the line organization because they did not carry the weight of tradition or set structure and leadership patterns. Line management had to give freedom; project management had to take and use it:

"The best situation had X as the sponsor. He is very hierarchically-minded, but he knew that I was the right person for that position in the project management. We valued each other in our diversity." (Project manager, manufacturing)

"The project has to be a strong unit by itself. It's my responsibility to enable things; one can't expect that from the sponsor, even if that was the agreement at the beginning." (Project manager, bank)

5. Learn to question line structure and culture

Projects dissolve outdated line organization structures and demand differentiation and interplay of content, form or management. Organizational learning expects management to develop and constantly scrutinize structures and leadership tailored to their requirements. If the line organization's existing structural pattern remained unquestioned and leadership culture was taken as a given, organizational learning reached a dead end. Where sponsor and project manager developed structures and leadership culture tailored to their common requirements, the project had perfect performance conditions, and the line lasting organizational learning conditions. The essential idea was that management intervention must move away from only linear and hierarchical thought patterns.

"The managers were so used to obeying and waiting. ... It was hard work to change the leadership and cooperation style during the project. I nearly got burnt, it nearly cost me my job ... finally we made it, we got the overview." (Program manager, public sector)

6. Learning to learn on an organizational level for a shared future

When line and project found ways of dealing together with differing expectations, learning possibilities opened up. Opportunities for shared reflection and steering guaranteed that different approaches and outcomes received attention. Through appreciating otherness the line organization became able to use the differences produced by the project. Thus projects had potential to force line organizations towards functionality: Which structure, which lead-

ership concept, which culture will move us as a whole toward our goal in a functional mode? Maintaining an overview of different structures and cultures was of great importance. For this to happen, both line and project thought in a functional, organizational way so as to act together as a whole. Learning to use differences and consider the unity of line organization and project required common goals for the future. Considering the unit as a learning ecosystem with different interests and cultures can create a new solution for dealing with different expectations, structures and leadership cultures in order to reach a shared future.

Organizational learning can prosper when project and line distinguish patterns through the interplay of oneness and differentiation and reunite them through the benefits of innovation. Reference to a meta-level is vital for this, by asking the question: Which different goals, structures and leadership cultures will bring us together to our shared future? This keeps otherness in balance on the basis of superordinate common future goals.

7. Functionally managing the ecosystem 360° on a meta-level

In successful cases the project manager acted as key figure and '360 degree leader'. S/he took on the function of representative and 'middle manager' by making differences transparent: perceptions and interests of each organizational system, important player and stakeholder. This included managing the borders between the different systems of the ecosystem by:

- Maintaining an overview of different interests and conditions and regulating conditions which limited as well as enabled.
- Providing frameworks, negotiation and reflection as steering actions to help the different functionalities of different systems to come into their own. Different systems, projects, and experts obtained useful orientation for working and acting in a learning spirit.
- Functionally managing the flux borders between ecosystem and environment in order to serve and develop the definition of shared future.

S/he had an overview of the differences and their interplay with existing conditions. Negotiation processes were cornerstones of the development of a shared mode in which different purposes were integrated, established and distinguished.

Project managers and sponsor were responsible for enabling a culture that bore in mind the functionality of the ecosystem, its differences and borders as well as its interfaces to the environment. Learning to learn on an organizational level must be formed and cultivated as organizational shared effort and investment. Successful survival as and within an ecosystem is based on the logic of homeostasis, so the vicious blaming circle turns into a shared spirit of learning circle.

References

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