

Learning Lessons from Health Care

Business students and practitioners got a glimpse inside the world of health care in “Learning How and Learning What: Lessons from Hospitals,” Harvard Business School Professor **Amy Edmondson**’s presentation at the School and the 34th installment of the *Rotman Integrative Thinking Seminar Series* in September.

Prof. Edmondson’s research focuses on understanding and improving processes through which organizations learn and innovate. “There is widespread agreement that an organization’s ability to learn is a critical source of competitive advantage,” she says, “but less attention has been paid to the work groups through which organizational learning occurs.” Understanding how and under what conditions groups are able to learn “is key to explaining why some organizations learn so much better than others.”

Organizational learning is particularly critical in fields undergoing a knowledge explosion, like the world of health care, she says. “The speed of progress in this industry means that health care workers have a lot to learn about new research, new techniques and new drugs. And because patient care is not an individual responsibility, but a team-based activity, collaborative learning is critical.”

Organization learning requires an environment characterized by ‘psychological

safety’ – “where people feel comfortable and capable of speaking up with interpersonally-difficult observations and questions. If people don’t know where the boundaries are, they don’t feel psychologically safe.”

Unfortunately, there are significant built-in barriers to collaborative learning in health care. “It’s an environment with incredibly high stakes – human life is at risk when processes fail. The learning material is highly complex, with a wide variety of inputs (patients) and processes. And to top it off, the industry features an established status hierarchy – across professions and across sub-specialties.”

Edmondson discussed two distinct types of learning: exploitation, which involves getting better at what you already do; and exploration, which involves innovating. “We’re hard-wired for exploitation rather than exploration,” she says, and as a result, “most of today’s firms are copying best practices and transferring them to their organization instead of creating new knowledge and looking for better ways to do things.”

To achieve a balance of both types of learning, there are several things to keep in mind.

One is that all knowledge is either ‘tacit’ or ‘codified’. “Tacit knowledge lives in the head of its owner and involves know-



Photo: Ken McGuffin

Amy Edmondson

ing *how* vs. knowing *what*. As a result, it’s harder to transfer than codified knowledge, which can be written down and more easily followed.” With group learning, variance in pick-up rates across organizations is greater when performance relies on tacit knowledge, she says.

“In addition, an individual’s stability with regards to group membership predicts improvement rates for dimensions of performance that rely on tacit knowledge; and when performance relies on codified knowledge, later adopters should improve more quickly than earlier adopters.”

These findings help bridge the gap between best practice transfer research and team learning research, says Prof. Edmondson, who recently received the Cummings Scholar Award, given annually by the **Academy of Management** to recognize outstanding achievement by a researcher in mid-career.

by Karen Christensen

Rotman School Grows with Building Expansion

A \$4-million expansion of the Rotman School’s fourth and fifth floors opened in August, providing offices for 26 faculty members, four meeting rooms, two research offices, and administrative support space.

Financed in part by a previously announced donation from the **Canadian Credit Management Foundation** (CCMF), the expansion will also house the **Marcel Desautels Centre for Integrative Thinking**. Desautels is the

president and CEO of the CCMF, which supports select educational organizations and institutions in Canada in the fields of business and finance, including the Rotman School.

The current facility for the Rotman School opened in 1995. More details on the expansion project, including a photo slide show, can be found online at: www.greatspaces.utoronto.ca/projects/Rotman.htm

by Ken McGuffin



A bird’s eye view of the Rotman School’s expansion.