

Hess, Edward D. – Learn or Die

Columbia Business School Publishing, 2014, [Surrounding Knowledge] Grade ★★☆☆

What does it take for organizations to create a culture of learning that will make them prosper? The author's viewpoint is that winning companies are those that outlearn others and that the formula to create a HPLO, a High Performing Learning Organization, equals the right people + the right environment + the right processes. The companies that don't learn will neither improve nor have the ability to adapt to changes and will thus risk extinction. Edward Hess who is a professor in business administration has written this book both to try to show individuals how they can become better learners but predominantly to show companies how they can build an organization that outlearns their competitors.

Learn or Die is divided into two parts. In the first the author looks to what previous research and his own experiences say about learning. There is a genuine feeling in the writing especially when Hess describes how his own life events have changed how he approach learning and life in general. Still, I found this part disappointing. It is a cursory overview of what the interested reader probably will have read more specialized in-depth texts about previously. Carol Dweck's excellent *Mindset* springs to mind. What the author brings forward makes perfect sense and it is an overview of a broad field, but there is very little new added.

I bought the book for its second part and specifically for its chapter on Bridgewater. The second part of the book focuses on Bridgewater, Intuit and UPS as case studies of learning. Bridgewater has developed a unique practice of what they call "radical transparency". The firm's critics would claim that the culture is slightly sectarian. The staff tries to stress test all their thinking by seeking second opinions. The company constantly performs what they call "drill downs" where people's work is sometimes quite bluntly challenged, displaying personal weaknesses. All in the name of revealing the truth and getting employees to learn from feedback. All conversations in the entire firm are taped and open

Mats Larsson, January 25, 2016

for everybody to listen to and learn from. A person's one main weakness is listed on the summary page of his employee record – obviously also open for everybody to read.

Objectivity is sought after and thus egos must be suppressed as they give rise to biases that hinder the truth. The truth cannot be reached if people aren't honest about their strengths and weaknesses and learning cannot happen if people aren't open to feedback. Mistakes are acceptable if and only if they are identified, analyzed and learnt from. When a problem has occurred, a diagnose is made to determine if it is attributable to the processes or to the employee. If it's the latter and the problem is deemed to be due to a lack of skill possible to remedy the employee will get education. If it's deemed to be due to the character of the person, he's moved to a position with better fit. In all this Bridgewater is very clear that one shouldn't personalize mistakes but learn from them.

Bridgewater by the zero tolerance for anything but the detailed truth and focus on correcting personal biases has put learning and personal development in the company on "fast forward" and they also purposely reassign staff to their best fit with needed tasks. This is a type of brutal psychotherapy open for all to observe. Bridgewater is an extreme example of a "learning machine" and a large percent of newly hired at the firm leave within 18 months of hiring, as their egos cannot stand the bruising. However, those who last this first period often stay for very long and the firm has had unprecedented success.

The Bridgewater story is fascinating. I think the author could have done more with it. There is relatively little of critical reflection around what Hess experiences at his visit. Ray Dalio even requests him to give feedback on what he learns so that Bridgewater can improve. I'd love to know what constructive suggestions were made. Instead the reader gets the feeling that Hess is a bit too awestruck of what he sees. Still it's an okay book if you want an overview of organizational learning or of Bridgewater's culture.