

THE PROBLEM WITH PROBLEM OWNERSHIP: INSIGHTS FROM AN ACTION  
LEARNING CASE WITHIN THE TELECOMMUNICATIONS INDUSTRY

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### ABSTRACT

*Action Learning has been employed around the world in a variety of settings and contexts to address challenges faced by large companies, entrepreneurial problems, and even the needs of entire industries and countries. The Action Learning client in this case was responsible for providing telephone directories to all business and residential customers within a regional service area. The client's organization was the directory advertising and publishing subsidiary of a large, parent telephone company. Unfortunately, the client's business process was flawed by a costly tendency to distribute unwanted and unnecessary duplicate telephone directories to customers. To provide some semblance of scale, the total number of directories involved in the service area was substantial, amounting to approximately fifty-million throughout an annual distribution cycle. This case suggests that one of the principles of Action Learning—that of “problem ownership” —can be problematic, in practice. The client's estimated savings from decreasing instances wherein duplicate telephone directories were needlessly distributed to customers were reported to be in excess of \$1 million annually.*

### DEFINITIONS OF ACTION LEARNING

Several authors have tried to create a definition of Action Learning that is more formal than participants' sketches above (Anderson & Thorpe, 2004; Law & Chuah, 2004; Marsick & O'Neil, 1999; Smith & O'Neil, 2003; Vick, 1997; Whetherley, 1995). Professor Revans (1981) articulated his own composite outline (albeit a somewhat lengthy one), “regarded by several pioneers of action learning as a clear definition of it” (p. 9), when he wrote:

Action learning is a means of development, intellectual, emotional or physical, that requires its subject, through responsible involvement in some real, complex and stressful problem, to achieve intended change sufficient to improve his observable behaviour henceforth in the problem field....The learning achieved is not so much an acquaintance with new factual knowledge nor technical art conveyed by some authority such as an expert or teacher (although fresh acquaintance is not ruled out), as it is the more appropriate use, by reinterpretation, of the subject's existing knowledge, including his recollections of past lived experiences. Action learning particularly obliges subjects to become aware of their own value systems, by demanding that the real problems tackled carry some risk of personal failure, so that the subjects can truly help each other to evaluate in what they may genuinely believe. Action learning demands real-time and hence observable activity on the subjects' parts, and thus tests whether the subjects are committed to what they can, in other conditions merely assertive. (pp. 9-10)

Dr. Mike Pedler, who was awarded the title of Revans Professional Fellow with the Revans Centre for Action Learning and Research at the University of Salford, in Salford, England (Awards, 1997) lamented the difficulty of writing a concise definition (for uses such as in brochures) in his book (1991), *Action Learning in Practice*. Nevertheless, he suggested an effort of his own:

Action Learning is an approach to the development of people in organisations which takes the task as the vehicle for learning. It is based on the premise that there is no learning without action and no sober and deliberate action without learning. On the whole our education system has not been based on this principle.

The method has been pioneered in work organisations and has three main components—people, who accept responsibility for taking action on a particular issue; problems, or the tasks people set themselves; and a set of six or so colleagues who support and challenge each other to make progress on problems. Action Learning implies both self-development and organisation development. Action on a problem changes both the problem and the person acting upon it. It proceeds particularly by questioning taken-for-granted knowledge. (pp. xxii-xxiii)

The earliest Action Learning program began in 1952 when a consortium of mining managers was formed under a the National Coal Board in England (Revans, 1986) . This was followed by a project in which ten large London-area hospitals exchanged ideas about each other's troubles and what could be done to improve their conditions (Revans, 1981). Revans was also invited by Lord Weinstock of the General Electric Company to set up an Action Learning program there (Pedler, 1991; Revans, 1981, , 1986).

Since some of these early programs, Action Learning has been employed around the world in a variety of settings and contexts including companies, industries and countries. Digital Equipment, General Motors, GTE, Ameritech, AT&T, Corning, Cigna, Whirlpool, Dow Chemical and Prudential Insurance have used Action Learning (Froiland, 1994; Pedler, 1991); countries that have imported Action Learning include the U.S., Belgium, Italy, Australia, New Zealand, Saudia Arabia, Norway, Sweden, Egypt, Nigeria, Singapore, China and others (Pedler, 1991; Revans, 1981).

## THE CLIENT AND PROJECT SET

“The client is the person who ultimately owns the problem under investigation—the person who will finally be held responsible for the resolution of the project on which the participants work” (Garratt, 1991, p. 56). In this case, the client was the director of distribution, an individual who was responsible for providing telephone directories to all business and residential customers throughout the region of the United States serviced by the RBOC (Regional Bell Operating Companies) under which his organization operated. Telephone directory distribution was divided into two phases: 1) a massive annual disbursement when new directories are published and old ones are replaced for every customer; and 2) an “interim” phase during the year when, for instance, a new customer from out-of-town established phone service. To provide some semblance of scale, the number of directories involved was substantial, amounting to approximately fifty-million throughout an annual distribution cycle.

An Action Learning set is a group of people who meet together to work with each other. Sets work on problems, not puzzles (Revans, 1978). One thing that must be kept in mind is that although an overarching problem may bring this assembly of set members together, the role of the set is to facilitate learning. Set members should be genuine “problem owners,” such that adequate commitment is garnered to participate in the first place (Revans, 1978, p. 16). Set members in this case were a mixed group from several organizations: managers from the client organization were always present; an official telephone company liaison was also present in many meetings; and the contracted distribution company was represented; the author of this paper served as the set advisor. Meetings were regular, spaced out at about every two to three weeks over a period of several months. Besides the regular set members, during the course of the project a variety of others associated with related processes were invited to participate.

In this case, the client was at the mercy of a variety of persons and procedures that required the input and problem solving commitment of several parties. For example, if telephone

company customer service representatives were going to change their behavior, then their training, compensation, and work procedures would have to change. Since the client couldn't force any such changes on those service representatives (or *their* employer), what other choice did he have but to ask telephone company management and other separate units to participate in the problem solving?

## THE "PROBLEM"

Even though the client's responsibility was conceptually straightforward, it was the organizational structure itself that in this case became a gargantuan stumbling block, which at times appeared impenetrable and immovable. The parent telephone company was comprised of a collection of companies, all ultimately operating under the umbrella of the holding company (that is, the RBOC). In this case the organizational structure created a complex set of interrelated problems. The client's overall problem showed symptoms that in part had to do with how orders for phone directories from telephone customers were processed. In short, it was handing out far more phone directories than it had in prior years. Experience in making projections, based on factors such as population growth rates, showed that the increase was far beyond "normal," according to the client. The initial question was, "Why?"

Another related issue was the fact that directory orders were taken by telephone company service representatives who were largely evaluated on the basis of their expediency. In other words, they took orders for phone service (a part of the service includes phone books) and entered these into a computer; handling orders quickly was a top priority. As a consequence, a few complications for the client resulted: 1) getting the order "right" was not tied to representatives' compensation; 2) various computer screens that were displayed to the representatives during the process were designed by a different computer service subsidiary; 3) training for the representatives was a wholly separate issue.

Even the notion, getting the order "right," became complicated from the client's vantage point. If a telephone service order addressed a customer who was merely moving locally—from an apartment to a house, for instance—that customer might not need another directory, or a set of telephone directories. In larger cities, a set of directories may amount to several yellow and white pages books, each with a printing and distribution cost of a few dollars each. When a customer who didn't need these books receives them anyway, \$20 to \$30 may simply go down the drain. If this scenario was repeated thousands of times across a region that has millions of customers, the waste amounted to a significant sum. A challenging manifestation was created in the wake of this structure: an accountability linkage was directly tied to the profit objectives of the ultimate holding company, resulting in an "It's Not *My* Problem" mentality.

## THE OUTCOME

Although it had been strongly suspected all along, confirming evidence finally showed that directory order increases were directly correlated to wildly successful second line sales, and the client finally had exact numerical findings to go by (note that the extent of that success had previously been information that the telephone service provider didn't want to share). One aspect of the aforementioned suspicion ultimately became useful in the solution: while the client—for budgetary reasons—wanted to reduce the number of directories being distributed, a question raised (before the above confirming evidence was found) was, "Isn't the real goal to

serve the customer, so that just the right number of directories is received—not too many, and not too few?” Meanwhile, the telephone service provider organization had been on a “quality mission” which had impacted a number of its strategies. Its management had implemented numerous customer service programs, which had included training and other employee development efforts. However, it did not initially want to entertain the costs of making changes in the service representatives’ normal procedures.

At one point, underwriting the costs of changes such as these was considered the problem, and burden of the client. After all, *he* was the one sending out more phone books than planned for in *his* budget—it was therefore *his* problem. At that time a message was sent to the telephone service provider organization, to the effect, “The customer doesn’t know about all these separate subsidiaries and issues; rather, as far as he or she is concerned, it’s ‘the phone company’ that can’t get its orders right.” Thus, in the customer’s eyes, it was ‘the phone company’ that looked inept while it was simultaneously heralding its customer service and quality efforts, publicly.

That message was received; and although the changes did require several months to implement, the client’s problem was rendered under control. Estimated savings for the client company were reported to be in excess of \$1 million, *annually*. Experience in this case suggested that in practice, the notion of problem ownership can be problematic. Indeed, the outcome in this particular case demonstrated that reallocating the ownership of the problem became the impetus for the solution itself to prevail.

## CONCLUSION

One word of advice to future sets might summarize the critical action in Action Learning: *persist*. Hopefully, the results reported above will inspire those who are in doubt (or are unfamiliar with) the usefulness of Action Learning. In this Action Learning case, a complex problem in an organization “struggling within itself” was effectively addressed. While the Action Learning literature addresses issues of risk and problem ownership somewhat definitively—stressing the underlying importance of genuine and sustained commitment—the real point is that risk and ownership are infinitely variable. In essence, one can own a problem to some extent, while another *owns* a problem. In practice, ownership even seemed to shift among set members on their good days versus their lesser days, much like the weather outside over the course of the set meetings themselves. This case does not purport to offer a final solution to offer to the dilemma of problem ownership. However, future Action Learners and researchers may benefit from further evaluating the notion of problem ownership within sets.

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