1.1. Latency and Organizational Learning by Rob Statham

Imagine a family farm. Somewhere in the Midwest, a farm exists whose purpose, or mission statement, is to plant, grow, harvest, and sell healthy big ears of corn. They go about fulfilling that by using people who till the soil, plant, irrigate, harvest, and market the corn. These people do this with various equipment, tools, and knowledge by following procedures, policies, rules, and guidelines already put in place to help fulfill the purpose. These may be written or unwritten. The operation is simple and very successful. Like many others, they have overlooked the most critical element of any system. What did they forget? Culture. In this case, the culture would be like the environment in which farming is taking place. For instance, let's say that farm is in Kansas; then you can imagine plentiful harvests year after year, but what if the farm is in downtown New York, let's say Central Park? Same harvest? No. Why? We have the same people, tools, and system in place, but we have a completely different culture influencing the business. This example is silly and would never happen because anyone who grows corn would pick a spot conducive to their operation. Still, it illustrates a valuable point: we often ignore our environment or culture. In the past, others may have gotten by with that, but today, we must take culture into account.

We have focused feverishly on systems. We have also focused on people, human performance, and resiliency. We have talked about culture but have yet to understand how to change culture or the urgency to understand and affect positive culture change.

An organization consists of systems and parts working together for a common goal. The parts may include rules, policies, procedures, processes, equipment, tools, and most importantly, human beings. It is essential to note the distinction between tangible and abstract parts, e.g., the written rules and the unwritten rules developed over time or the employee's thoughts within his/her mind.

The challenge in designing an efficient system is to have a well defined structure that does not limit the abstract qualities needed to keep the system operating smoothly, maintaining the flexibility to change as needed. Michael Gerber said, "Let systems run the business and people run the systems." This is easy to say but a serious challenge to accomplish, but any other way results in ever increasing rigidity and inefficiencies.

The overall structure of a system must adapt as the individual parts recognize, call for, and respond to change. The highest value dealing with any repetitive process in our systems are the components that make up the structure of the system: the policies, procedures, workflows, etc. The highest value in dealing with change in our systems is the people and their abstract qualities, the ability to change at a moment's notice, hindered only by the structure and the culture therein. People are the key to an organization's resilience or lack thereof.

The end of the structure of a system is the beginning of the abstract parts of the same system. You can think of this as the gap or tolerance between gears.
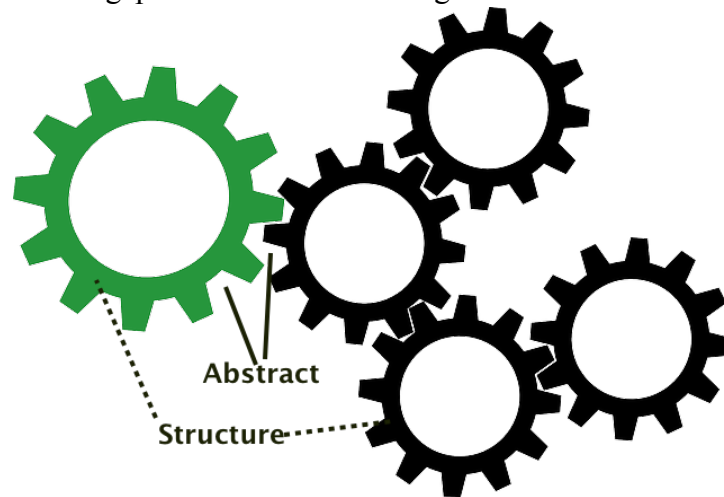
The gap results in the structure falling short, which then requires people's innovation for continuity. This gap is both needed and critical for efficient operation. The gap is what determines the flexibility and growth potential of an organization. A gap too tight cannot adapt easily, which results in increased friction, decreased life, and ultimately, failure. A gap that is too wide relies on unique individuals as the only answer to keep the system working. This takes a great toll on the other system parts, with increased wear, inefficiency, and ultimately failure. In a system, the tolerances of the gap are rarely thought of, identified, or measured because they reside within the people of the organization. That is evidence of a significant cause of our problems.

The abstract qualities of people make up the gap. People are the oil that lubricates the gears or structures within a system. A gap too wide places a huge load on the people, constantly juggling to keep the organization running and on course, which renders the structure ineffective and almost useless. This results in a two-fold effect both strengthening the unwritten rules while weakening the tangible structure of the system. This increases an organization's reliance on certain unique individuals to operate the system. This is certainly part of the intangibles brought to an organization, but the problem that accompanies it is hidden; it is not measured and is a critical variable to the system that is only being managed by the individual implementing a solution or workaround. The gap in the structure presents the opportunity for the individual to fill it, but it requires it every time those circumstances appear. Remember, the structure is there to aid in the work mission, not become an obstacle in and of itself.

All of the above illustrates our dependence on people to fill gaps in the structure of our organizations. Now, let's talk about what influences those people faced with addressing gaps within the structure they find.

Whenever a group of people comes together, their thoughts, beliefs, and attitudes mix, resulting in a unique culture. Culture is like the vinegar in a jar of pickles. The pickles began as cucumbers, but the culture they are immersed in is what transforms them into pickles. Culture transforms people, and this can be positive or negative. The culture determines it.

The gaps found in a system's structure are filled by the individuals pickled by their culture. This is made up of the undocumented work processes and abstract qualities people bring to the system: thoughts, attitudes, beliefs, and innovation. This is what keeps the organization running efficiently or brings it to a screeching halt. The culture affects not only the structure but also the abstract qualities the individual is willing to offer.

The major player hiding in the shadows of our organizations is seen through our inability to address problems effectively and is evidence of Latency. Latency, as defined by Failsafe Network, is The Way We Are or The Way We Do Business. Latency is formed from the unique culture within our organization and is the underlying cause of our problems. Everyone within an organization unknowingly contributes to Latency. It's the aggregate of each person's contribution that gives Latency its power. It is like gravity; it affects everything we do, but we rarely notice it. It is difficult to see because we think the problem is outside of ourselves; we do not see our contribution, and therefore, we do not change or improve. That is also why no one individual can offer a solution to prevent similar incidents from occurring in the future. To address Latency, we must first make it visible. Only when we see the effect of Latency and our contribution will change be on the horizon. Then, as an organization, we will sway in the right direction. Addressing the things we see, like policies, checklists, and procedures, will never effectively address the true cause of our problems: Latency.

The people performing their day-to-day duties know there's a problem and have repeatedly tried to solve it, get help, and highlight it, but to no avail. The people in the hierarchy of the organization also recognize problems and attempt to solve them, highlight them, and get help, but to no avail. The problem they struggle with is Latency. The resulting frustration and attitudes are what contribute to Latency.

If we have learned anything from our past quests into the causes of our failures, it is that small unresolved problems cause big problems. We know any time someone knows what they ought to do but chooses not to do it, a failure is set in motion. We call this the Conservation of Wretchedness. Not addressing a small problem is exactly what causes bigger problems. There may be very legitimate reasons they are not addressed, like time, money, or lack of other resources, but unfortunately, they are still what cause Big problems. These unresolved small problems reside in the gap within our systems. They are addressed to the best of people's ability based on the resources they have available. The result may be simply living with the problem or ignoring it. This is what breeds complacency and strengthens Latency. Therefore, organizations that are sincere about improving and learning must address Latency by identifying and learning

from the problems confronting people every day. When people discover their role in the things that go wrong, they will change. The aggregate of this change will be seen in an organization's performance.

If you would like to learn more about how to identify and address Latency within your organization, contact us at info@failsafe-network.com.