# HOW TO BUILD EFFECTIVE "LEARNING LOOPS"

Learning loops are a process of sharing performance information with people and empowering them to make the changes needed to improve performance. They are similar to feedback loops except they are deliberately designed to achieve organizational change at maximum speed. It means giving the right people the right information at the right time – and sparking their creativity and innovation.

Learning loops depend on communicating information about performance in a way that's easy for people to understand. How are we doing on customer satisfaction? How about service reliability? What about finance? You can signify with green, amber, and red areas of relative strength and weakness. You can provide detailed comparisons of past and present performance. Arming people with data that is reliable, easy to understand, and has sufficient background detail makes it easy for them to see where they need to make adjustments.
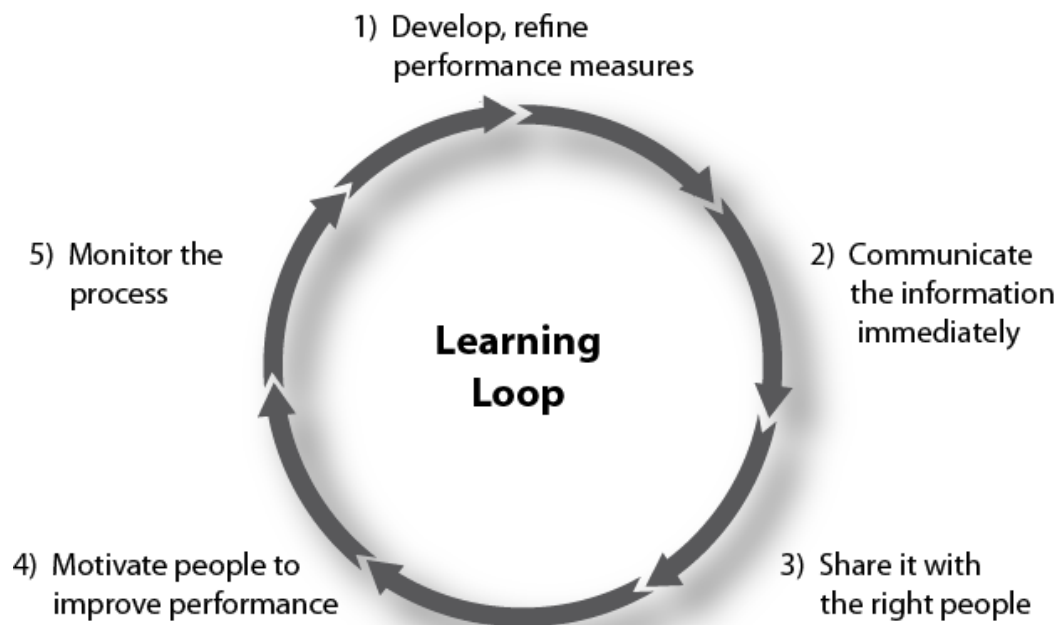
Learning loops need to be shared with people who have the authority and responsibility for improving the performance levels. Start with the people who wield the most influence – typically the members of the senior leadership team. As soon as the performance metrics become available, they need to be talking about them. It's not enough to email the report or publicize the performance measures on a web site. People need to hear the report as a group, think through the implications, discuss options and share ideas. That's how learning loops work.

Five Factors of Successful Learning Loops

FACTOR	QUESTIONS TO ASK
1. **Develop performance measures**	• Have we linked performance metrics and targets to our core values, vision, and goals? • Have we distinguished between outcomes and outputs? • Can we ensure the data is reliable?
2. **Communicate the information immediately**	• Do we have the right information systems in place? • Are we getting the information in people's hands quickly? • Have we displayed the information so that everyone can grasp it quickly?
3. **Share it with the right people**	• Have we set up the appropriate forums? • Are groups empowered to act on the information? • Are tough questions being asked?
4. **Motivate people to improve performance**	• Are people motivated to suggest changes? • Are we identifying any barriers to implementation? • Are the right managers championing the process? • What are we doing about managers who resist he process?
5. **Monitor the process**	• Do we regularly check to see if our "learning loops" are working? • Are we translating our increased learning into increased performance? • Are we learning as fast as we could? What could we do to accelerate the learning?

Learning loops can be implemented anywhere in the organization to accelerate the pace of change. At CarMax, the chain of used-car superstores, CEO Austin holds sessions with employees and shares the latest performance information. Then he asks: "How can we improve our performance? What are we doing that is unnecessary or doesn't make sense?" He personally takes part in these brainstorming sessions and makes sure every idea is recorded and receives a response.

A Tibetan proverb says, "To be uncertain is uncomfortable. To be certain is foolish." Human beings can learn very quickly if they have information at their disposal and are motivated to improve performance. It may be uncomfortable sometimes, but that focus on learning is what generates trust and builds a high-performing organization.