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Sommario/riassunto	"Bartley J. Madden's The Pragmatic Theory of the Firm specifies that a firm's knowledge-building proficiency is the fundamental cause of a firm's survival and prosperity as well as a pathway to significant improvements across a firm's typically siloed activities. This theory is about connectedness among the firm's purpose, its major activities, and its long-term overall performance, with attention to long-term financial performance. Madden argues that employees improve their knowledge-building proficiency with experience in traversing the knowledge-building loop, whether alone or preferably with a mentor. Success in understanding cause and effect, using that virtuous cycle of learning, reveals faulty or obsolete assumptions and leads to new assumptions whose reliability is then verified. Language matters and employees' knowledge-building proficiency improves with a habitual concern for questioning assumptions underpinning words describing the firm's activities. Attention to language can help guide experiments (similar to Intuit's experimentation culture) having the potential to negate "knowledge" which is now obsolete possibly due to a changed

environment. A firm's knowledge-building proficiency depends upon top management developing and sustaining an organizational culture that accomplishes two objectives. First, employees are rewarded for productive work enabled by their continual learning and related proficiency in knowledge building, which results in process improvements and occasional breakthrough ideas. Second, the culture promotes collaboration both inside and outside the firm and sharing local knowledge across the firm's business units so that firm-wide knowledge becomes a significant, value-creating intangible asset"--

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