

The Effects of Learning Organization in Context of Global Era

¹Dr. Anju Sigroha & ²Gaurav

¹Assistant Professor, Deptt. of Management Studies, DCRUST, Murthal, Sonipat HR (India)

²Research Scholar, Deptt. of Management Studies, DCRUST, Murthal, Sonipat HR (India)

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*Corresponding Author

Email: [anjusigroha2007\[at\]gmail.com](mailto:anjusigroha2007[at]gmail.com)

[gaurav.iijetjind\[at\]gmail.com](mailto:gaurav.iijetjind[at]gmail.com)

ABSTRACT

This conceptual paper focuses on Learning Organization in context of global era, which tells about the learning process within organizations that involves the dealings of individual and collective (individual, group and organization) levels of analysis and leads to achieving organizations' goals in globalization. This paper explores the root of learning, importance of learning and how to improve the learning in an organization. It includes the definition of Learning Organization, globalization, aims, objectives, process, methods, epistemology as well as its implication for human resources development research and practice and its effects in global era.

1. Introduction

A Learning Organization is an organization that facilitates the learning of its members and continually improving itself. In simple words Learning Organization is a process in which managers and employees within a organization or organization learn to deal with new aspects and problems, and become more skilled, trained, developed and experienced.

Brown and Duguid (1991) describe Learning Organization as "the bridge between working and innovating." This once again links learning to action, but it also implies useful improvement.

The term "learning organization", not to be confused with organizational learning was popularized by Peter Senge. It describes an organization with an ideal learning environment, perfectly in tune with the organization's goals. Such an organization is a place "where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole (reality) together." (Senge 1992).

This subsection will focus largely on the work of Peter Senge, and it will serve as a basis for understanding:

- The ideal organizational environment for learning, knowledge management, innovation, etc, as described through the term "the learning organization".
- The leadership qualities necessary for promoting and encouraging this ideal environment.

In their 1978 work on organizational learning, Chris Argyris and Donald Schön developed the concepts of single-loop and double-loop learning. Single-loop learning is the process in which a mistake is corrected by using a different strategy or method that is expected to yield a different, successful outcome. Take, for example, a person who acts a

certain way to accomplish a certain goal. If this person's actions fail in accomplishing the goal, with single-loop learning, this person will reflect on their previous actions and, going forward, they will take a different set of actions to accomplish the same goal. Double-loop learning, on the other hand, is a more complicated process in which a mistake is corrected by rethinking the initial goal. In the previous example, the person would show double-loop learning if they chose to reevaluate their goal and beliefs instead of simply reassessing their failed actions. They will then take a set of actions that are aligned with their reevaluated goals and beliefs. Argyris and Schön explain that both single-loop and double-loop learning processes are present in organizations and are two types of organizational learning. Single-loop learning occurs when an organization detects a mistake, corrects it, and carries on with its present policies and objectives. Double-loop learning occurs when an organization detects a mistake and changes its policies and objectives before it can take corrective actions.

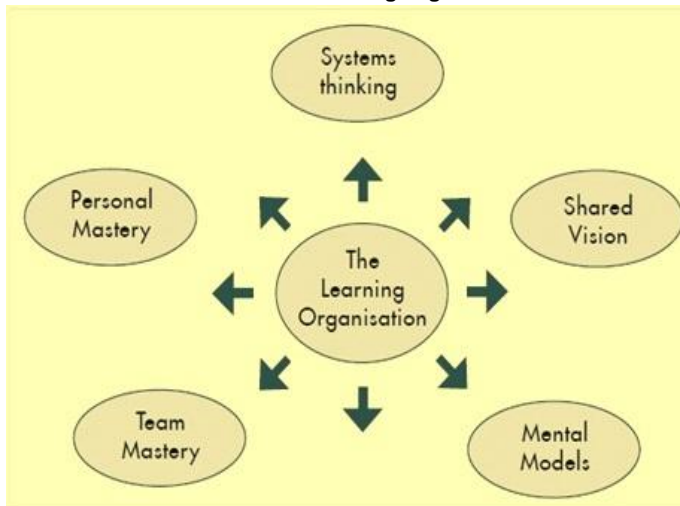
According to Senge, the learning organization depends upon the mastery of five dimensions:

1. **Systems thinking:** The notion of treating the organization as a complex system composed of smaller (often complex) systems. This requires an understanding of the whole, as well as the components, not unlike the way a doctor should understand the human body. Some of the key elements here are recognizing the complexity of the organization and having a long-term focus. Senge advocates the use of system maps that show how systems connect.
2. **Personal mastery:** Senge describes this as a process where an individual strives to enhance his vision and focus his energy, and to be in a constant state of learning.
3. **Mental models:** "Deeply ingrained assumptions, generalizations, or even pictures and images that influence how we understand the world and how we take action" (Senge 1990). These must be

recognized and challenged so as to allow for new ideas and changes.

4. **Building shared vision:** shared vision is a powerful motivator. Storytelling is a one powerful tool that can be used here.
5. **Team learning:** the state where the members thinks together to achieve a common goal. It built on share vision and adding the elements of collaboration.

Characteristics of Learning Organization



Source: <http://ispatguru.com/a-learning-organization-and-its-characteristics>

- **Leader as Steward:** This is the vaguest of the three and refers largely to the attitude of the leader. He emphasizes the importance of a leader that feels he is part of something greater; whose desire is first and foremost not to lead, but to serve this greater purpose of building better organizations and reshaping the way businesses operate.

The implications to Learning Organization's are in three-fold:

- I. How to create the ideal Learning Organization environment?
- II. How and why something has been learned?
- III. How the learning that takes place in the organization is useful to the organization?

Learning Organization is a process of making, retaining and transforming knowledge within the organization. Learning is one of the conditions of better management. It enables organization openness for changes – modifying established ways of acting, analyzing and improving existed procedures and willingness to proper responding. Organization must be prepared to maintain adaptability, reliability and flexibility in the changing world. Learning Organization is not a difficult concept, but it stands out compared with older, brute force learning techniques that were previously used.

In starting the researcher wants to explain what learning organization is, but first the researcher has to mention the person who invented the idea of learning organization. It was given by Peter Senge, who wrote the book called "The Fifth Discipline". According to him learning organizations are those where people continually expand their capacity and ability to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together as an objective. The literature we can find a variety of definitions describing process of learning in an organization. The researcher would like to mention Pedler's description: The Learning Organization is a vision of what might be possible. It is not brought about simply by training individuals; it can only happen as a result of learning at the whole organization level. A Learning Organization is an organization that facilitates the learning of all its members and continuously transforms itself for achieving organizational goal. In a learning organization, data and information are not kept in secret or gathered by management, they are easily accessible, so that managers and employees share a common way of reference. In addition training and learning are high priorities – people are expected to learn constantly.

Unites Of Learning Organization

- Individual Learning
- Group Learning
- Learning Organization
- Inter-Learning Organization
- Global Learning

Importance of learning organization

2. Purpose of the study

This study will elaborate the concept of Learning Organization. What factor effects on it and what are the theories related to Learning Organization? The role is played by Learning Organization and to know about the importance of Learning Organization are the objectives of this study.

3. The role of leadership in learning organization

Senge emphasized the role of the leader in the creation of this learning organization. He defined three leadership roles (1990) that would reshape the old-fashioned approach to being the boss. These are:

- **Leader as Designer:** Senge likens this to being the designer of a ship rather than its captain. He defined it in three ways:
 - I. Creating a common vision with shared values and purpose.
 - II. Determining the "policies, strategies, and structures that translate guiding ideas into business decisions."
 - III. Creating effective learning processes which will allow for continuous improvement of the policies, strategies, and structures.
- **Leader as Teacher:** The leader here is seen as a coach that works with the mental models present in the organization. He must understand the (usually tacit) concepts of reality and restructure these views "to see beyond the superficial conditions and events [and] into the underlying causes of the problems."

- Enhancing the knowledge and skills
- The people develop
- Greater motivation
- Improvement in attitude
- The workforce is more flexible
- People are more creative
- Improved social interaction
- Teams and Groups cohesiveness
- Knowledge sharing
- Interdependency
- Problem solving

The organization benefits

- Breakdown of traditional barriers
- Customer or consumer' relations
- Information management
- Innovation and creativity
- Better place for work

Learning Organization tracks the changes that occur within an organization as it contains knowledge and experience. To evaluate Learning Organization, the knowledge an organization creates, transfers, and retains must be quantified. Nonaka and Takeuchi presented two types of knowledge: tacit and explicit. Tacit knowledge is the kind of knowledge that is difficult to transfer to another person by means of writing it down or verbalizing it, it's based on emotions, insights, observations, experiences, intuition and internalized information. As opposed to explicit knowledge which is articulated, expressed and recorded as words, numbers, codes, mathematical and scientific formulas. This kind of knowledge is easy to communicate, store, and distribute and is the knowledge found in reports, documents, books, on the web, and other visual and oral means. Now I would like to introduce four steps in creating and changing knowledge.

4. Review of literature

(Garvin (1994) To compete in this information-saturated environment we are currently living in, it is necessary to remain dynamic, competitive, and to continue to look for ways to improve organizations. As David Garvin of Harvard University writes, "continuous improvement requires a commitment to learning". Change is the only constant we should expect in the workplace, and therefore, we must rid ourselves of traditional, hierarchal organizational structures that are often *change-averse*, or undergo change only as a reaction to external events (Johnson 1993). Learning organizations embrace change and constantly create reference points to precipitate an ever-evolving structure that has a vision of the future built-in.

The very first thing needed to create a learning organization is effective leadership, which is not based on a traditional hierarchy, but rather, is a mix of different people from all levels of the system, who lead in different ways (Senge 1996). Secondly, there must be a realization that we all have inherent power to find solutions to the problems we are faced with, and that we can and will envision a future and

forge ahead to create it. As Gephart and associates point out in *Learning Organizations Come Alive*, "the culture is the glue that holds an organization together;" a learning organization's culture is based on openness and trust, where employees are supported and rewarded for learning and innovating, and one that promotes experimentation, risk taking, and values the well-being of all employees (Gephart 1996).

Senge (1996) To create a culture and environment that will act as the foundation for a learning organization begins with "a shift of mind - from seeing ourselves as separate from the world to connected to the world"; seeing ourselves as integral components in the workplace, rather than as separate and unimportant cogs in a wheel. Finally, one of the biggest challenges that must be overcome in any organization is to identify and breakdown the ways people reason defensively. Until then, change can never be anything but a passing phase (Argyris 1991). Everyone must learn that the steps they use to define and solve problems can be a source of additional problems for the organization (Argyris 1991).

Pedler *et. al.* (1991) The Learning Company is a vision of what might be possible. It is not brought about simply by training individuals; it can only happen as a result of learning at the whole organization level. A Learning Company is an organization that facilitates the learning of all its members and continuously transforms itself.

Watkins and Marsick (1992) Learning organizations are characterized by total employee involvement in a process of collaboratively conducted, collectively accountable change directed towards shared values or principles.

Sandra Kerka (1995) most conceptualizations of the learning organizations seem to work on the assumption that 'learning is valuable, continuous, and most effective when shared and that every experience is an opportunity to learn.

Kerka (1995) goes onto comment, the five disciplines that Peter Senge goes on to identify (personal mastery, mental models, shared vision, team learning and systems thinking) are the keys to achieving this sort of organization. Here, rather than focus too strongly on the five disciplines (these can be followed up in our review of Senge and the learning organization) we want to comment briefly on his use of systemic thinking and his interest in 'dialogue' (and the virtues it exhibits). These two elements in many respects mark out his contribution.

5. Learning organization theory

Given by Chris Argyris and Donald Schon

Two of the most noteworthy contributors to the field of Learning Organization theory have been Chris Argyris and Donald Schon. Learning Organization, according to Argyris & Schon is a product of organizational inquiry. This means that whenever expected outcome differs from actual outcome, an individual will engage in inquiry to understand and, if necessary, solve this inconsistency. In the process of

organizational inquiry, the individual will interact with other members of the organization and learning will take place. Learning is a direct product of this interaction.

Argyris and Schon emphasize that this interaction often goes well beyond defined organizational rules and procedures. Their approach to Learning Organization theory is based on the understanding of two modes of operation:

- **Espoused theory:** This refers to the formalized part of the organization. Every firm will tend to have various instructions regarding the way employees should conduct themselves in order to carry out their jobs. These instructions are often specific and narrow in focus, confining the individual to a set path. An example of espoused theory might be "if the computer does not work, try rebooting it and then contact the IT department."
- **Theory-in-use:** This is the actual way things are done. Individuals will rarely follow espoused theory and will rely on interaction and brainstorming to solve a problem. Theory in use refers to the loose, flowing, and social way that employees solve problems and learn. An example of this might be the way someone actually solves a problem with their computer by troubleshooting solutions.

The fact that there is a mismatch between these two approaches is potentially problematic if the organization enforces its espoused theory. In order to create an environment conducive to learning, firms are encouraged to accept theory in use, and make it easy for the individual to interact with his working environment in an undefined and unstructured way. Essentially they should provide the right environment for organizational inquiry to take place, unconstrained by formal procedures and solve it out.

Levitt and March (1996) expand further on the dynamics of Learning Organization theory. Their view presents the organization as routine-based, history dependent, and target oriented. While lessons from history are stored in the organizational memory, the event itself is often lost. They note that past lessons are captured by routines "in a way that makes the lessons, but not the history, accessible to organizations and organizational members." The problem most organizations face is that it is usually better to have the event rather than the interpretation.

Learning Organization is transmitted through socialization, education, imitation and so on, and can change over time as a result of interpretations of history.

Given by Argyris and Schon

Argyris and Schon (1996) identify three levels of learning which may be present in the organization:

- **Single loop learning:** Consists of one feedback loop when strategy is modified in response to an unexpected result (error correction). E.g. when sales are down, marketing managers inquire into the cause, and tweak the strategy to try to bring sales back on track.

- **Double loop learning:** Learning that results in a change in theory-in-use. The values, strategies, and assumptions that govern action are changed to create a more efficient environment. In the above example, managers might rethink the entire marketing or sales process so that there will be no (or fewer) such fluctuations in the future.
- **Deuterolearning:** Learning about improving the learning system itself. This is composed of structural and behavioral components which determine how learning takes place. Essentially deuterolearning is therefore "learning how to learn."

This can be closely linked to Senge's concept of the learning organization, particularly in regards to improving learning processes and understanding/modifying mental models.

Effective learning must therefore include all three, continuously improving the organization at all levels. However, while any organization will employ single loop learning, double loop and particularly deuterolearning are a far greater challenge.

6. How to achieve the principles of learning organization

- **Stage One** is to create a communications system to facilitate the exchange of information, the basis on which any learning organization is built (Gephart 1996,40). The use of technology has and will continue to alter the workplace by enabling information to flow freely, and to "provide universal access to business and strategic information" (Gephart 1996,41). It is also important in clarifying the more complex concepts into more precise language that is understandable across departments (Kaplan 1996,24).
- **Stage Two** is to organize a *readiness questionnaire*, a tool that assesses the distance between where an organization is and where it would like to be, in terms of the following seven dimensions. "Providing continuous learning, providing strategic leadership, promoting inquiry and dialogue, encouraging collaboration and team learning, creating embedded structures for capturing and sharing learning, empowering people toward a shared vision, and making systems connections" (Gephart 1996,43). The questionnaire is administered to all employees or a sample of them, and is used to develop an assessment profile to design the learning organization initiative (Gephart 1996,43).
- **Stage Three** is to commit to developing, maintaining, and facilitating an atmosphere that garners learning.
- **Stage Four** is to create a vision of the organization and write a mission statement with the help of all employees (Gephart 1996,44).
- **Stage Five** is to use training and awareness programs to develop skills and understanding

attitudes that are needed to reach the goals of the mission statement, including the ability to work well with others, become more verbal, and network with people across all departments within the organization (Navran 1993).

- **Stage Six** is to "communicate a change in the company's culture by integrating human and technical systems" (Gephart 1996,44).
- **Stage Seven** is to initiate the new practices by emphasizing team learning and contributions. As a result, employees will become more interested in self-regulation and management, and be more prepared to meet the challenges of an ever-changing workplace (Gephart 1996,44).
- **Stage Eight** is to allow employees to question key business practices and assumptions.
- **Stage Nine** is to develop workable expectations for future actions (Navran 1993).
- **Stage Ten** is to remember that becoming a learning organization is a long process and that small setbacks should be expected. It is the journey that is the most important thing because it brings everyone together to work as one large team. In addition, it has inherent financial benefits by turning the workplace into a well-run and interesting place to work; a place which truly values its employees.

According to Richard Karash, learning organizations are healthier places to work in global era because they:

- Garner Independent Thought
- Increase Our Ability to Manage Change
- Improve Quality and Process.
- Develop a More Committed Work Force
- Give People Hope that Things Can Get Better
- Stretch Perceived Limits
- Helpful in problem formulation and problem solving.
- Much effective in international policies formulation.
- Are in Touch with a Fundamental Part of Our Humanity: The Need to Learn, To Improve Our Environment, and To Be Active Actors, Not Passive Recipients (Karash 1995).

7. Conclusion

From the above study we can conclude Learning Organization as dependent on allowing organizational inquiry to take place according to theory-in-use, not espoused theory. Learning Organization is a complex mechanism, resulting often in the storage of interpretations of past events, rather than the events themselves and Learning Organization can take place on three different levels. While single loop learning comes natural to any individual/organization, special attention must be paid to the double-loop and triple-loop must be followed into step by step manner so that the objective of the organization can be achieved into effective manner.

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