

## Concept of Learning Organization: Facilitators and Flow of Learning

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### ABSTRACT

**Purpose** – The purpose of this study is to ascertain that various facilitators of learning such as learning culture, climate, semantic web technology, information communication technology and knowledge management hold importance to facilitate the flow of learning, which begins at individual-group-and ultimately at organizational level in an organization.

**Design/methodology/approach** – This review paper is based on the research papers written by other authors, who have studied the concept of learning organization, importance of conducive learning culture and climate, impact of facilitators on the flow of learning in an enterprise. A model is developed to illustrate the impact of the facilitators of learning on the flow of learning in an organization.

**Findings** – The study expresses that a conducive and harmonious learning culture and climate, web technology, knowledge management leads to smooth flow of learning at individual-group- and organizational level. Such a culture and climate contributes to an ethical organization, has a direct relationship with the performance of an enterprise, learning capability and competitive advantage.

**Limitations** –This study is based on secondary research which has been published by reputed authors in this field.

**Acronyms** – LO (Learning Organization), OL (Organization Learning), KM (Knowledge Management), SWT (Semantic Web Technology), ICT (Information and Communication technology).

**Keywords** – knowledge management, learning organization, learning culture, learning climate, organizational learning.

**Paper Type** – Review paper

### I. Introduction

Organizations facing uncertain, changing, or ambiguous market conditions should be able to learn. In the absence of learning, organization, individuals and groups, simply repeat old practices. Change remains superficial and improvements are short lived. The concept of learning organization has received growing attention as one source of competitiveness in both financial as well as non-financial performance of an enterprise. For an effective implementation, managers need to know what a learning organization is exactly. They need a reasonable, well founded definition which must be functional and easy to apply.

The concept of learning organization was introduced over 40 years ago, but received recognition with the publication of 'The Fifth Discipline' by Peter Senge (1990). He developed the concept of learning organization by relating the concept of organization learning to the concept of system thinking and mental models. He defines the five routes to a learning organization, which gives a powerful tool to a learning organization to develop three learning abilities:-

- ability to inspire aspiration

- ability to start reflective conversation
- ability to understand complexity

Thus, a learning organization is an organization which requires expansion of the duties and responsibilities of an individual in order to achieve the desired outcomes, it also requires individuals to work as a team and have a common vision. Further, a learning organization should focus on the following areas:

- collective thinking
- individuals should gain mastery on their job
- common vision
- importance of team learning
- mental models

An LO, promotes innovation, in which group of people continuously try to learn and grow. Here, the development is continuous to create a successful future (Anna Baines, 1997). A good learning organization is the one which has the ability to respond positively to: change, interaction, sustainable development and complexity of the situation (Hengfu Wen, 2014). He has also designed the strategies for a learning organization:

- leaders first, leadership transition and learning leadership team
- to promote learning and personal mastery
- the double-loop learning, systems thinking and the improvement of mental models
- to develop organizational capacity, learning teams and the deep dialogue
- to promote the practice of learning
- to enhance the effectiveness of learning
- to establish the “three in one” mode of work
- to aim at sustainable development
- to establish the leading group

However, the concept of LO existed in history even before the concept of LO was introduced by Senge in 1990 (Kjell and Robert, 2012), by quoting various examples of spectacular experiments and inventions. They mentioned the example of Japanese factories. Americans visited the factories in year 1970s to check what makes them to stick to remarkable quality. They found that difference lies in how each member contributes and whether top management considers diverse opinion or not. They came to the conclusion that Japanese not only welcome diverse opinion but also implement the good ones. The organizational learning mechanisms lead to the construction of a learning organization and LEQ helps in designing and interpreting the structures that helps in the formation of a learning organization, and thereby, evaluates the progress of these support structures (Anona and Patrick, 2003). According to author (John Peters, 1996), six areas constitute the syllabus of a learning organization. These areas are as follows: having knowledge about one’s job in an organization, learning how to perform without any external help, gaining knowledge regarding the future with the help of competence development, understanding of the operating environment, learning to challenge existing models of an organization and establishing an effective memory such that the organization is able to store and retrieve the knowledge, skills and experience. The authors (A. Akin and Bahattin, 2005) view that every organization is LO, the only thing which separates them is the way they acquire knowledge and how they are utilizing it. Two types of learning takes place in an LO:

- single loop learning
- double loop learning

For effective learning, the following sequence should be followed: getting the right information, distribution of information, which means sharing information within groups, interpreting the acquired information and transferring the interpreted information to the memory of an organization. However, a study shows that LO differs across the various levels of an enterprise (Teresa and William, 2010). Through their study, they have interpreted that

employees at the lower level of an organization do not have access to the information or database as there are no information system installed at this level therefore, they rank low in the areas of knowledge management and financial performance. They suggested that in order to enable the lower level of an organization to have access to the database, information system should be installed, the management should promote two way communication and also encourage the employees to participate in the problem solving process of the organization.

Knowledge Management enables a learning organization to achieve its vision and mission. A research conducted by (Anna, 1997), focuses on knowledge management in which organization uses the experience of others as a part of their learning. Knowledge management organizations follow a set of steps to preserve knowledge:-

- acquiring knowledge
- storing the acquired knowledge
- utilization of knowledge
- problem solving using knowledge
- and finally decision making

People generally get confused with learning organizations and organization learning. People use these two terms as synonyms of each other but in reality both are two different concepts (Anders, 2001). A learning organization talks about an organization whereas organization learning talks about different practices of learning which are used by an organization to enhance learning. Second difference is that for an organization to transform itself to a learning organization a lot of effort is required whereas organization is an integral part which is followed by most of the organizations. LO helps in providing a conducive learning climate, culture, for organizational learning to take place. On the other hand, OL involves generation of knowledge, ideas at individual, team and organizational level (Ji Hoon, Chang-Wook and SeiHyoun, 2011).

For an organization to survive in the changing environment and seek solutions to the various organizational problems, creativity and learning should go hand in hand. Creative learners are able to view their job with a broader horizon, as they have gained knowledge from a number of fields and subjects. They make efforts to understand the concept of creativity and contribute to the world in a more meaningful way, such that it has a powerful impact (Martha, 1994).

Learning is inseparable from those who are engaged in the process of learning (Sharon and Steven, 2004). The flow of learning in an organization starts at the individual level, followed by team and organizational level. When individuals share their past experiences, insight with others, it

contributes towards group learning, and ultimately organizational learning. (A. Akin and Bahattin, 2005) found that an organization's culture plays an important role in organization learning. Both culture and climate facilitate and shape the flow of learning and corporate learning in an organization. To test this concept, the following two objectives were formed:-  
 Primary objective: The flow learning takes place at the individual level-group level-and ultimately organizational level.

Learning in a LO takes place by two ways:

- inside the individual's head
- learning of organization -by members who are new to the organization and have knowledge which is not within the organization and by learning of its members (Yew-Jin Lee & Wolff-Michael Roth: 2007).

According to (A. Akin and Bahattin, 2005), learning can happen individually, in a team, within the organization. For an organization to develop it is important to ensure that individual development is also happening at the same time. Since individuals

are roots of so called tree organization it is our duty to strengthen these roots. Learning at different levels (individual, group and organization) influences organization performance and effectiveness. When it comes to learning at different level, individual learns by sharing innovative ideas and insights and group learning is a continuous process which holds importance for organizational learning to take place (Mohan and Sang, 2015).

Secondary Objective: Organizational culture, climate, semantic web tools, ICT and knowledge management impacts the flow of learning in an enterprise.

According to (A. Akin and Bahattin, 2005), organization culture refers to sharing same values, ethics and social ideals by members of the organization. On the other hand, climate, is regarded as a subset of organization culture. It refers to the employees' perception of their work environment. Both climate and culture impact or help in shaping the flow of corporate learning in an enterprise (Nasima and Johan, 2013).

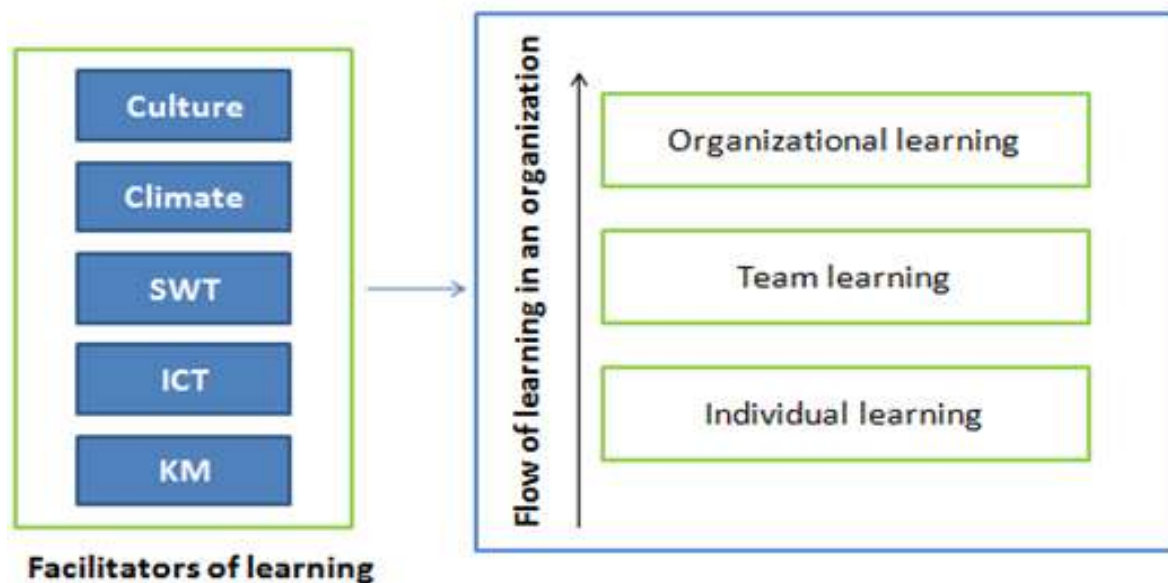


Figure: facilitators of learning and its impact on the flow of learning in an organization

## II. Facilitators of learning

**Learning Culture** –The culture in a learning organization should be supportive, it should promote equality and transparency and it should seek continuous improvement through change. According to (Anna Baines, 1997) a learning organization should have culture in place in order to make learning habitual. (A. Akin and Bahattin, 2005). A learning culture in an organization sets a conducive environment for learning by promoting employee engagement and motivation in employees (Ji Hoon, Doo Hun, In Guand Woocheol, 2014).It helps in generation of knowledge, ideas at individual, team

and organizational level. A culture oriented towards learning helps in creation of positive outcomes.

**Learning Climate** –Climate is the subset of the organization culture but both work at different level. An organizational climate is the perception of the atmosphere of the organization by its members, procedure, awards and practices. A best organizational climate helps in encouragement of behavior and continuous learning. Managers play a very important role in setting the organizational climate by sticking to the following rule( A. Akin and Bahattin, 2005):

- i. coming up with planned learning opportunities
- ii. being a role model in their behavior
- iii. finding ways to integrate learning with organizational processes
- iv. readiness to learn

According to (Nasima and Johan, 2013) climate should be such that it can adapt to the various changes in order to create a sustainable organization, which keeps doors open for various changes to occur and continuously make use of its capacity to enhance the process.

Semantic Web Technology – Semantic tools help in the creation of an infrastructure that leads to the improvement of learning processes and mechanisms in an organization. Besides this semantic web tools should also be used to effectively change behavior (Miguel-Ángel and Miltiadis, 2005).

ICT – This technology provides a system that enables employees to interact and share knowledge through various devices such as voice mail, e-mail, video conferencing etc. ICT provides many opportunities for on – job learning and knowledge transfer in an organization. However, implementation of too many or too few systems poses danger and leads to dissatisfaction among employees. Thus, the employees should have adequate knowledge regarding efficient utilization of devices and the right motivation approaches (Lilla and Adrienn, 2015).

Knowledge Management– As per (Deepak and Himanshu, 2011) knowledge management is very important for any learning organization. It helps to regulate the flow of learning and leads to effective storage of knowledge within the organization. Knowledge management aids in current scenario of growing complexity in business, mobile in the workforce, prevention of assets and faster pace with which innovation is happening. For companies implementing knowledge management, it is very important to follow the right process for it, which includes the following steps:

- i. creation
- ii. storage
- iii. sharing
- iv. sharing and evaluation
- v. generation
- vi. internalization
- vii. transfers

### III. Flow of Learning

Individual Level –It depicts the importance of learning of individual members of an organization, for an organization which aspires to become a learning organization. There are various steps taken or introduced to strengthen the roots by emphasizing the importance of individual learning, one of them is executive MBA. To facilitate learning in individuals executive MBA was introduced as a concept to

improve the performance of the employees working in an organization either at managerial level or executive level with up to 5 years of experience, to enhance their performance as an individual. Reason being that with the changing business environment, managers need to be extra smart who can help the organization during complex situations and changing business needs. MBA executive came with the concept of action learning to bridge the gap between theory and practice because here the utilization of competence of each and every employee is required for an organization to learn and succeed since traditional MBA course is incapable of developing managers who are smart. Other objective of executive learning was to facilitate team building and knowledge sharing. According to the study conducted by (Sharon and Steven, 2004), most of the individuals learn through social learning, they learn by observing their other members of the organization. They say that in most of the organizations people are not ready to learn by social learning. So it is very important to set a culture conducive to social learning. Another way of fostering individual learning has been expressed by (Anders, 2004) in his paper; the paper explains that a learning organization should focus on the following activities to accelerate individual learning:

- i. organization learning
- ii. creating learning structures
- iii. learning at work
- iv. developing a learning organization

Importance of individual learning is also depicted in the paper written by (Penny West, 1994) where he describes the importance of the individual learning by making a reference to the Kolb's learning cycle, which says learning in a LO is a cyclical process where most of the modifications are based on past experiences; individuals are the carriers of these past experiences.

Team learning –As per the study conducted by (Ji Hoon, Doo Hun, In Gu and Woocheol, 2014), team work plays a crucial role in organization's success. It bridges the gap between individual and organization performance. The concept of success in an organization with effective learning is extended by (Penny West, 1994) in his paper, where he mentioned that if an organization is undergoing change as a result of various changes in the business then team learning is best option to deal with it. Team performance is also affected by employee engagement and learning within the organization. Effectiveness of team happens when people in a team share their learning experience. Team learning also plays a very important role in creative thinking, as per (Martha, 1994) best learning happens when people work in a group and exchange or share each other's knowledge. This sharing fosters creative thinking within the group which travels upwards

towards the organizational level and helps an organization to flourish.

Organization learning –(Yew-Jin and Wolff-Michael, 2007), stated that learning of an organization as an individual is also very important for a LO. An organization learns with the learning of its members and by members who are new to the organization and have knowledge which is not with the organization, which is further shared among individuals through team learning.

#### IV. Conclusion

According to (Swee and Peter, 2008), there exists a positive relationship between learning capability and competitive advantage. The learning organization outperformed in the market of rising share prices as well as bear markets. Hence, these companies are a better option for investment. There is a positive relationship between the way companies identify, utilize knowledge and organizational performance. Hence, learning capacity affects financial as well as non-financial performance. The study also proves that innovation and job satisfaction has highest positive relationship with learning capability (Swee, Catherine and Tony, 2012). Learning organization helps in providing a conducive learning climate, culture, for organizational learning to take place and also has a stronger impact on personal learning, followed by sharing of knowledge at group and ultimately, organizational level. The LO model: - leadership style, the process that helps in communication, values and beliefs of the organization, lead to the development of an ethical organization. These features of LO along with norms, standards and ethics training increases the employee commitment towards ethical practices (George, Kathleen and Claudia, 2014). In the end a learning organization can be assessed with the help of diagnostic tool, learning environmental survey tool, learning audit, DLOQ tool, importance of team based learning, values and philosophy of an organization (Dima, Yusuf and Charbel, 2009).

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