

# Organizational Learning and its Practices

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## Abstract

*In the current world of business and organizations, the role of Organization learning is enormous as it is the learning ability and knowledge base of an organization which creates the distinctive competitive advantage. This paper reviews the literature on Organization learning. Organization theory, industrial economics, business history, management and innovation studies have all addressed the question of how do organizations learn. The paper assesses these various literatures and tries to understand the goals of organization learning, the learning process in organizations and some important variables on the concept of organization learning. In this paper, seven major variables or focus of the concept and practice of organization learning have been studied. It reviews the conceptual framework of individual and organizational learning and tries to understand how organizations learn from direct experience; learning from others; encouraging and creating a learning environment; and how do organizations develop conceptual frameworks for interpreting that experience. The idea of organization memory is also emphasized in this paper in order to show how organizations program information and retrieve it in spite of the turnover of personnel and the passage of time. The final section discusses the limitations as well as the possibilities of creating new paradigm on organizational learning in the current business environment.*

*Keywords: Learning organization, individual learning, knowledge management, organization memory, organization culture,*

## Introduction

During the past few decades, the marketplaces for organizations have shifted from a market push towards a market pull based strategy. In comparison to an environment years back, where the demand was high with supply scarcity; today's situation is characterized by an overflow of products and services whose amount is in abundant to satisfy the demand. The resulting customer expectations, as well as the intense global competition, depict an enormous challenge for the flexibility of an organization which is operating in this scenario. As a consequence of the evolved threats, organizations are forced to adjust quickly and adopt new ways to remain competitive. The recent advances in the field of organization studies have shifted focus towards studying the fit between organizations and its adoptability in an ever changing environment. Hence, there is a need to study the concept of organizational learning in order to understand learning concepts and practices and essentially upgrade the concept to conform to the current requirements of organizations. The study of organization learning has been into existence for

long and has gained importance due to its ever evolving characteristics and focus towards developing of the organization eco system. The growing importance of learning in organizations and knowledge creation has been widely felt by organizations operating in diverse and multi-cultural societies. The biggest challenge which organizations face in today's world is how learning can be used in knowledge assimilation resulting in fostering innovation faster than its competitors.

This paper aims at investigating the main elements of the process of organizational learning and identifies its main characteristics resulting in creation of a learning environment as strategic competitive advantage for organizations. The paper focuses on how organizations learn and leverage from the benefit of organization learning and also highlights areas of learning interventions which will help organizations to maximize the benefits of learning.

## Review of Literature

There is a need to review the existing literature of the concept of organizational learning to

explicate the understanding of the organizational learning concepts and practices and essentially upgrade the concept to conform to the current requirements of organizations. The idea of organization learning and its in depth process and development have been in existence for considerable time but their scientific background and principles can be traced back to many perspectives of management . Organizational learning is attributed to the creation of the 'action learning' process (Revas, 1982), which uses small groups, rigorous collection of statistical data, and the tapping of the group's positive emotional energies (Garratt 1999). The technique is also mirrored in Deming and Juran's quality control system using quality circles, SPC (Statistical process control) and PDSA (plan-do-study-action). A few other important works also positively contributed to spearhead the debate of organizational learning and in later stage to the popularity of the concept. Seminal studies like Argyris and Schon's (1978) double-loop learning notion, Senge's (1990) the 'Fifth Discipline' and Pedler, Burgoyne & Boydell (1991) learning company model and the idea of 'learning curves' has been widely used by management consulting firm like Boston Consulting Group.

The study of organizational learning and learning organizations have flourished and been matched by a range of academic bodies studying it. Organization learning have been widely studied by economic historians to examine the importance of learning in the development of new industries and technologies (Rosenberg 1976) and the development of formal Research and Development (R & D) as institutionalized learning mechanisms (Mowery 1981). Learning is debated by industrial economists to affect productivity (Arrow 1962), and industrial structures (Dosi 1988). Intra firm learning has been an important characteristic of the theory of the firm since Cyert and March (1963), and learning plays a central role in Teece et al.'s (1990) 'dynamic capabilities' theory of strategic management. The relationship between learning and innovation has been examined at a strategic management level (Dodgson 1991; Loveridge and Pitt 1990) and at a tactical management level

concerned with new product development (Imai et al. 1985; Maidique and Zirger 1985). There are number of reasons why the study of Organization learning has gained momentum among management researchers. Firstly, large sized corporations attempt to develop strategy, structure and systems which are more adaptable and responsive to internal and external environmental stimulus. This concept has been described and influenced by the work of a number of researchers like Peters and Waterman (1982), Kanter (1989) and Senge (1990). It is also widely considered that learning is a key to competitive advantage (Garratt 1987; Porter 1985). Secondly, there is significant influence of technological change on organizations. The turbulence engendered by technological change in products, markets and processes is directly propagated to the organization's strategy. The complexity of new product development process (Rothwell 1992), and shortened product life cycles, the transformation of production processes towards 'lean manufacturing' (Womack et al. 1990), and the growing use of computer aided organizational innovation such as Just-in-Time delivery systems and Materials Procurement Planning (MRP) intensifies the dire need for organizations to learn and do new things in radically different ways.

Thirdly, the concept of 'learning' has a broad analytical value and is shown in the breadth of academic disciplines using it. Contemporarily, normative approaches such as those found in management literature on the subject seek to a new language to deal with the changed circumstances facing firms. Apparently, academicians in economics, has attempted to progress beyond the existing static views of organizations as 'bundles of resources'. Learning is a dynamic concept and its use in theory emphasizes the evolving nature of organizations. In addition, it is an integrative concept that can unify various levels of analysis: individual, group, corporate and community nature of organizations (Dodgson 1993).

### **What is Organization Learning?**

The concept of learning is understood from various perspectives, and manly developed in

the psychological field over a long evolutionary history (Wang and Ahmed 2002) however, there is rarely agreement within disciplines as to what learning is, and how it occur (Fiol and Lyles 1985). Economists tend to view learning either as simple quantitative improvement in activities, or as some form of intangible and vaguely defined positive outcome. The management and business literatures often equates learning with sustainable comparative competitive efficiency (Dodgson et al. 1993), and the innovation literature usually sees learning as promoting comparative innovation efficiency (Hamel, 1991). Some works have considered the notion of learning organization culture as an attribute of entrepreneurship and risk taking (Kanter 1989; Naman and Slevin 1993; Sykes and Block 1989), facilitate leadership (Meen and Keough 1992; Slater and Narver 1995), organic structures (Gupta and Govindrajan 1991; Woodman et al. 1993), decentralized strategic planning processes (Day 1990; Hart 1992; Mintzberg 1994) and individual development (Garvin 1993). These various literatures tend to investigate the outcomes of learning, rather than delve into what learning originally is and how these outcomes are achieved and ultimately enhance the organizational performance. In contrast, it is a major concern of psychology and organization theory to examine the process of learning. Learning, in this context, relates to the firms, and includes both the processes and outcomes. It can be defined as the various means by which the firms build, complement and organize knowledge and routines around their activities and within their cultures, and adapt and develop organizational efficiency by improving the use of the broad skills of their employees. This postulates a broad range of characteristics of organization learning:

- Learning has positive implications although the outcomes of learning's are sometimes negative, i.e.; firms learn by committing errors.
- Although learning is based on individuals in the workforce, firms can learn in totality. While emphasizing the role of human agency in learning, corporate and group culture is also influenced by

individual learning and can assist the direction and use of that learning.

- Learning occurs across different activities of the firm, and, it occurs at different levels and pace. Encouraging and coordinating the various interactions in learning is a key organizational responsibility for Managers.

Firms that intentionally build strategies and structures in order to enhance and maximize the organizational learning experience have been labeled as 'learning organizations'. The characteristics of the learning company are described by Pedler et al. (1989) as 'an organization which facilitates the learning of all its members and continually transforms itself', and argue that it:

- Cultivate a climate of encouragement where individuals learn and develop their full potential.
- Extends the learning culture to involve customers, suppliers and other important stakeholders.
- Positions human resource strategy at the center of corporate strategy.
- Constantly undergoes a process of organizational transformation.

Although there is not much documentation available on firms learning methodology, large Japanese corporations like Toyota, Sumitomo, Sony, Matsuhita and others have many characteristics resembling learning organizations (Dore 1973; Dore and Sako 1989; Sako 1992) and there is significant parity with smaller, entrepreneurial high tech firms in the U.K (Dodgson 1991). The Japanese philosophy of learning and knowledge management emphasizes "oneness of humanity and nature", "oneness of body and mind", and "oneness of self and other" (Nonaka and Takeuchi 1995). In order to exploit the maximum benefit out of the learning activities and direct them for future benefits, such firms heavily bank upon training and human resources development initiatives across all levels. A commonly expressed belief in the field of strategic management literature is that organizations do learn and adapt and that

this enhances the organization's ability to survive. According to Figgis, Alderson, Balckwell, Butorac, Mitchell, Zubrick (2001), it is relevant to analyze a learning organization as learning environment since learning organization focuses on the process of learning at all the levels: individual, group and organizational level. Learning in such an organization is a spontaneous process which is cultivated and supported by building learning cultures, ensuring conditions for everyone to learn and share information, experience and knowledge. In such an environment the employees are trained by using innovative

teaching-learning techniques that correspond to their learning needs and those aligned to their career goals and corporate strategy. Organizations have also implemented systems of incentives for improvement within organization in order to encourage and stimulate employees to undertake initiative and risks and collective problem solving (Nevis, DiBella, Gould 1996; Hale 1996).

Comparative analysis of various literature sources revealed many different interpretations of the learning organization concept that are presented in Table 1 with distinguished characteristics.

Table 1: Main Characteristics of learning organization as learning environment

Author	Main Characteristics
Beck (1989)	Organization facilitates learning and personal development for everybody; learning is associated with transformation of the organization.
Senge (1990)	A system of continuous learning with environment favorable for knowledge creation and generation.
Handley (1991); Pedler, Burgoyne, Boydell (1991)	Every task gives an opportunity to learn in the organization. Every member of the organization sees learning as his / her right and duty.
Pedler, Burgoyne, Boydell (1991)	Organization supports learning.
Dixon (1993); Marquardt (2001)	Learning within organization takes place at three different levels: individual, team and system. Those levels link learning environments.
Senge, Roberts, Kanter, Smith, Kleiner (1994)	Possibility to reflect, continuous examination of own experience and practice.
Argyris, Schon (1996)	Practices, Systems and Structures are established in order to enable meta - learning.
Argyris (1997)	Analysis of solutions and correction of faulty decisions comprises a part of learning.
Chakravarthy (1982); Chandler (1962); Cyert and March (1963); Hambrick (1983); Miles and Snow (1978) & Miller and Friesen (1980)	Firms must have the potential to learn, unlearn, or relearn based on its past behaviors. Organizational adaptability is the essence of organization learning and its performance affects the organization's ability to learn and adapt in a changing environment.
Othman and Leman (2005)	Organization adopts and maintains such a form of learning that enables its members to learn in such a way that leads to positively valuable outcomes such as innovations and organization effectiveness.

Source: Table prepared with reference to Skuncikiene (2008).

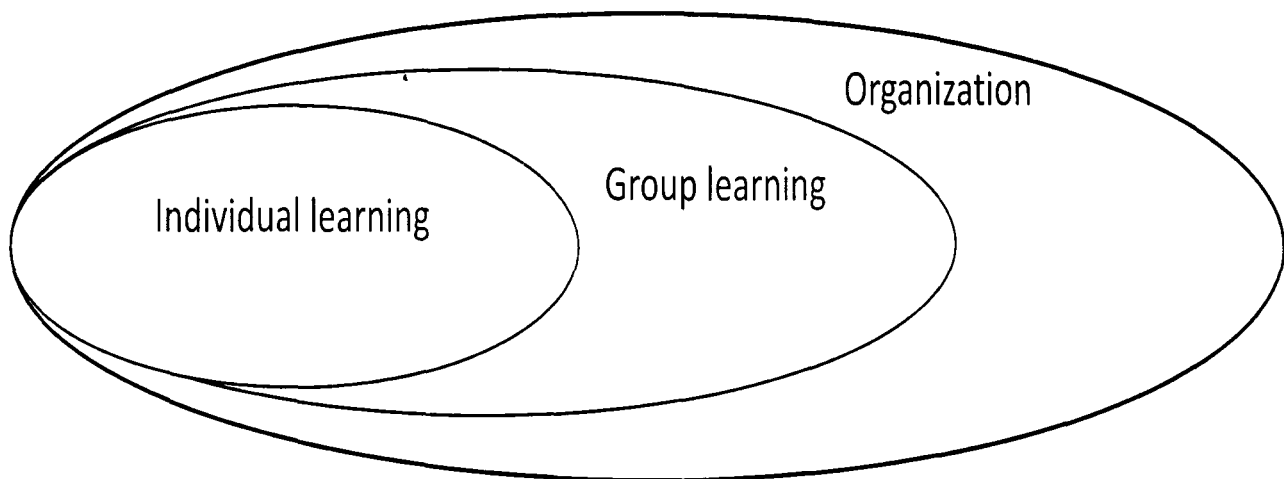
Various authors based on findings of their studies have defined organization learning by highlighting yet interconnecting aspects, including the following;

- Learning is adaptation to changing environment.
- There are various levels of learning within organization i.e.; Individual -> Group -> Organization.
- Exploration of the experience gained.
- Organizations encourage continuous learning; develop learning skills and processes of improvement.
- Creation of knowledge.
- Information and knowledge sharing within organizations.
- Speed of learning.

- Value of organization culture in learning.

Learning is one of the main processes in a learning organization, and it can influence organization behavior, culture and efficiency (Levitt and March 1988). It has been established that different authors distinguish the aspect of learning when describing learning organizations since it is emphasized in almost all the dimensions of a learning organization foundation. Literature analysis reveals the fact that while defining learning in the organization context, knowledge is being created, skills and specific capabilities are formed, and experience is gained by working towards corporate goals of the organization. According to Dixon and Flood (1993), the following three levels of learning can be distinguished: individual learning, group learning and organization learning (See Fig. 1).

Figure 1:



### The Goals of Organizational Learning

Organization learning practices involve diversified perspectives of organizational management and recognize a wide range of variables determining the learning outcomes, organizational learning retention capacity, problem-solving ability, employee participation, learning environment, rewards linked to learning, encouragement, etc. In order to reinforce the understanding of organization

learning, seven variables or focus of the concept have been highlighted through an exhaustive literature review: focus on collectivity of individual learning; focus on learning systems and processes, focus on culture and metaphor, focus on organizational memory to retrieve learning, focus on knowledge management, focus on continuous improvement and focus on creativity and innovation. (See Table 2)

Table 2: Summary of the Organization learning concept and practices

Focus	Concept of organizational learning	Practices
Individual learning	“Organizational learning occurs when individuals within an organization experience a problematic situation and inquire into it on the organizational behalf” (Argyris and Schon 1996 p.16).	Staff training and development.
Process or System	Organizational learning is the process whereby organizations understand and manage their experiences (Glynn et al 1992). Individual and group learning is an interconnected system where learning takes place at all levels at the same time (Senge 1990).	Enhancement of information processing and problem solving capability.
Culture or Metaphor	“A learning organization should be viewed as a metaphor rather than a distinct type of structure, whose employees learn conscious communal processes for continually generating, retaining and leveraging individual and collective learning to improve performance of the organizational system in ways important to all stakeholders and by monitoring and improving performance” (Drew and Smith, 1995).	Creation and maintenance of learning culture: collaborative team work, employee empowerment and involvement, etc.
Organization Memory	Organization learning depends on features of individual memories (Hastie et al 1984, Johnson and Hasher 1987) Rules, procedures, technologies, beliefs, and cultures are conserved through systems of socialization and control. They are retrieved through mechanisms of attention within a memory structure (Levitt and March 1988).	Conservation and retrieval of experience through routine procedure and computer aided information system.

Knowledge Management	Organizational learning is the changes in the state of knowledge (Lyles 1992, 1998). It involves knowledge acquisition, dissemination, refinement, creation and implementation: the ability to acquire diverse information and to share common understanding so that this know ledge can be exploited (Fiol 1994) and the ability to develop insights, knowledge, and to associate among past and future activities (Fiol and Lyles 1985).	Facilitation of interaction and strengthening of knowledge base.
Continuous Improvement	“A learning organization should consciously and intentionally devote to the facilitation of individual learning in order to continuously transform the entire organization and its context (Pedler et al. 1991).	The adoption of Total Quality Management (TQM) practices.
Creativity and Innovation	In the tumultuous business scenario, organization learning is the process by which the organization constantly questions the existing product, processes and systems and identify strategic position and applies various learning models to achieve sustainable competitive advantage.	Facilitation of triple-loop learning and knowledge creation; focus on creative quality and value creation.

### Collectivity of Individual learning

Learning is a natural state. Organization learning is as natural as learning in individuals as they attempt to adjust and survive in a turbulent and competitive world. The organization learning system is viewed as one which is depending totally on individual learning as against the practice of knowledge sharing for all the organizational members (Shrivastavsya 1983). The main stream within this focus of organizational learning considers individuals as 'agents' for organizations to learn (Argyris and Schon 1978). “Organization learning occurs when individuals within an organization

experience a problematic situation and inquire into it on the organization's behalf. They experience a surprising mismatch between expected and actual results of action and respond to that mismatch through a process of thought and further action that leads them to modify their images of organization or their understandings of organizational phenomena and to restructure their activities so as to bring outcomes and expectations into line, thereby changing organizational theory-in-use” (Argyris and Schon, 1996 p.16). A learning organization evolves as a result of the learning and behavior of its people (Honey and Mumford, 1992; Burgoyne

and Pedler 1994, Senge 1990, Marquardt and Reynolds, 1994). The capability of a workforce in an organization to learn faster than those of the other organization constitutes the competitive advantage at the disposal of a learning organization (De Gues, 1998, p. 71). Collective learning of individuals in organizations leads to development of the core competencies of the organization becoming the distinctive advantage in the long term (Hamel and Prahalad, 1990). Organization learning should be where the individuals interact with others through the process of education and as a result of experience (Kolb 1984; Honey and Mumford 1992). Hence, a learning organization must focus on valuing, managing and enhancing the individual development of its employees (Scarborough, Swan and Preston 1988 p.2).

Organization learning is the collection of individual learning within the organization. Collective learning occurs along with the learning process at the individual level and may also occur independently of each individual. However, it cannot exist if the entire workforce in an organization is restricted from learning (Romme and Dillen 1997; Kim 1993). Drawing a contrast out of these theories, it can be claimed that organization learning can be defined as the accumulation of individual and collective learning. Several theories also postulates the fact that individual learning is not necessarily positive or contributive to the organization, because employees can also learn something which is negative to the organization, or may learn to improve their own skills rather than benefit the organizations (Field 1997). Juxtapose, the individual learning activities, in turn facilitated or inhibited by an ecological system of factors may be called an "organizational learning systems" (Argyris and Schon 1978). Thus, the learning based interaction between individual employees and the organization that employs themselves is emphasized (Morgon 1986; Hedberg 1981). According to Matlay (2000) the relationship between individual and collective learning is the most important aspect that distinguishes learning organizations from one another.

## **Focus on Process and System**

One stream of research on organization learning refers an organization as a 'learning systems' (Revans 1982). Organizational learning is the process whereby organizations understand and manage their experiences (Glynn, Milliken and Lant 1992). Different views are emphasized within the learning process: Leadership (Revans 1982; Popper and Lipshitz 2000); personal mastery, mental models, building shared vision, team learning and systems thinking (Senge 1990); and various processes like: intuiting and interpreting at the individual level; interpreting and integrating at the group level; and institutionalizing at the organization level (Crossan, Lane, White and Rush 1994 p. 6).

The systems view of organization learning has been adopted from the information processing perspective (Cyert and March 1963). Organizations are termed as information processing systems, acquiring, interpreting, distributing, and storing information within the organization, and therefore four components of the organizational learning process are proposed: knowledge acquisition, Knowledge distribution, Knowledge utilization and organizational memory (Huber 1992).

The three stage model highlights the various aspects of organization processes:

1. Knowledge acquisition - The development or creation of skills, insights and relationships.
2. Knowledge distribution - The dissemination of what has been learned.
3. Knowledge utilization - The integration of learning in order to make it available and generalized to new situations.

According to Nevis, Dibella and Gould (1995), organizational learning is defined as the capacity or processes within an organization to maintain or improve performance based on experience. Learning is systems-level phenomenon because it remains within the organization, even if individuals change. A systems viewpoint comprises of two sub-streams: organizations as closed system or an open system. Under the closed systems view, organizational learning is limited to an organization itself, which is a



reflection of the classical approach to organizational management (Burnes 2000). Open systems view of organizations considers situational factors and includes inter-organizational learning as a vital part of the overall organizational learning system. However, knowledge is acquired both within and outside the organization. In a learning organization, the highest stage incorporates three aspects of learning: environmental adaptability; learning from their people; and, contributing to the learning of the wider community of which they are a part (Pedler, Burgoyne and Boydell 1991).

However, the systems view have not emphasized on flexibility, interaction, innovativeness and creativity although these are important aspects for an organization to survive and succeed in the current scenario.

#### **Focus on Culture or Metaphor**

Several researchers have highlighted the importance on the cultural perspective of learning organization. Culture serves as a sense-making mechanism that guides and shapes the values, behaviors and attitudes of employees (O'Reilly and Chatman 1996), and it is through values that behavior flows and guided (Simon 1976). An organization's culture imposes "coherent, order and meaning" and enables the institutionalization of an appropriate sense-making structure to facilitate interpretation of unfamiliar events (Weick 1985). According to Schein, it is the internal integration of the individuals within the shared culture that aids learning. Drew and Smith (1995) observed that a learning organization should be seen as a metaphor rather than a distinct type of structure. In this scenario the employees learn consciously on communal processes for continually generating, retaining and leveraging individual and collective learning to improve the performance of the organizational systems.

The traditional hierarchical cultures are anti-learning and anti-training, and weaken the potential of organizations to match and survive increasing competition in the global marketplace (Jones 1996). In the current economic scenario, knowledge is not a sacred cow and is not only

preserved for people in managerial or professional positions but, every employee will need to be a knowledge worker. However, it is not sufficient to have more number of knowledge workers in the organization than that of competition because the culture has to be right in order to enable the full potential of the individual talents. Organizations need to change to a collaborative team culture in order to escape the no-training and waste-training traps (Jones 1996) and focus on the process and involvement of people within the organization (Mintzberg 1994). According to Jones (1996); "in addition to the utilization of the technical skills and knowledge workers, a team approach is essential for the effective acquisition of new knowledge and skills. Team skills are inextricably linked with effective learning and it is the learning and motivation which a team approach enables to form the mainstream quality, innovation, service, etc." Torbert (1991) names it 'the liberating culture', which is means of overcoming barriers that limit organization learning.

The link between culture and organizational performance has been defined by researchers (Denison 1990; Gordon and DiTomaso 1992). Culture has also become an important tool for design of organization structures and strategies and enables an organization to utilize the knowledge and experience optimally for achieving the set goals and objectives (Bierly, Kessler and Christensen 2000).

#### **Organization Memory**

Organization learning depends on features of individual memories (Hastie et al. 1984, Johnson and Hasher 1987. Routine based ideas of learning presume that the lessons of experience are maintained and accumulated within routine activities despite the turnover of employees and period of time. Rules, procedures, technologies, beliefs, and cultures are conserved in the organization through the systems of socialization and control (Levitt and March 1888). Organization not only records information but also shapes its future path and the details of that path are highly dependent on the processes by which the memory is stored and consulted internally. Johnson and Kaplan 1987; Rovik 1987

highlights the accounting system of recording and creation of history by an organization.

### **Experience Recording**

Organizations records experience in form of documents, accounting files, standard operating procedures, and computer generated spreadsheets and databases. These are retrieved in the social and physical geography of organizational structures and relationships; in standards of best practices; in the culture of organizational stories; and in shared perceptions of the way things are done in the organization.

However it is not practically feasible for the organization to record routine information as it incurs cost. With the advent of the information technology, organizations are encouraged to automate the recording of the routines by substantially reducing the cost. The recording of routines also depends upon the nature of the organization business. Skills driven organizations rely more heavily on tacit knowledge than do bureaucracies (Becker 1982). Organizations that face complex uncertainties rely on informally shared understandings more than do organizations dealing with simpler, more stable environments (Ouchi 1980). On the other hand, outcomes of experiences if not gets transferred from the ones who experience it to who did not, the same will be lost due to employee turnover.

### **Retrieval of Experience**

It has been found that only part of an organization's memory is likely to be remembered at a particular point of time or in a particular part of the organization. Some parts of the organizational memory are more available for retrieval than the others. Recently used and frequently used routines are more easily evoked than those which are frequently used. Thus, organizations have difficulty retrieving relatively old, unused knowledge and skills (Argote et al 1987). The routines that record lessons of experience are organized around organizational responsibilities and are retrieved easily when actions are taken through regular channels than when they occur outside those channels (Olsen 1983). Large part of the routines can be stored using information technology

particularly where there are large numbers of routines bearing on relatively specific actions like design of structures and engineering systems, scheduling and production or logistical support or the analysis of financial statements (Smith and Green 1980).

### **Focus on Knowledge Management**

Organizational learning and Knowledge management are two parallel-developed concepts resulting out of the plethora of research conducted in the last few decades on understanding the importance of learning in organizations. Organizational learning is referred to the changes in the state of knowledge (Lyles 1992, 1988) and involves It involves knowledge acquisition, dissemination, refinement, creation and implementation: the ability to acquire diverse information and to share common understanding so that this knowledge can be exploited (Fiol 1994) and the ability to develop insights, knowledge, and to associate among past and future activities (Fiol and Lyles 1985). According to Bierly, Kessler and Christensen (2000 p.597), "learning is the process of linking, expanding, and improving data, information, knowledge and wisdom". Part of knowledge between an organization and individual is complementary and part of it is dissimilar to each other's principles. In fact, organizational memory creates the knowledge base and acts as the foundation of knowledge accumulation and creation, and reflects the absorptive capability of the organizations. Hence, the main task for management in order to create learning environment between the individual and organizations is to facilitate interaction and strengthening of each other's knowledge base (Adler, Goldoftas and Levine, 1999).

The popularity of knowledge management as a full-fledged discipline for study and practice is contemporary. Off late organization learning is linked to knowledge creation. The understanding of the impact of organizational learning on knowledge management can be taken from the "ontological dimension" of Nonaka and Takeuchi's knowledge creation model. Knowledge creation model is the process

of knowledge transfer among individual, group and organizational and inter-organizational levels (Nonaka and Takeuchi 1995 p.27).

### **Focus on Continuous Improvement and Innovation**

The current literature on organizational learning is having an inclination towards continuous improvement (Pedler, Burgoyne and Boydell 1991; Buckler 1996; Scarbrough, Swan and Preston 1998). The learning organization is a state which is continuously striven for (Hodgkinson 2000) and is more an aspiration for a continuous process rather than a single product (Garratt 1999). Learning organization as stated by Senge (1990, p. 3) is where the "people continuously 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 how to learn together". A similar definition by Pedler, Burgoyne and Boydell (1991) mentioned that "a learning organization should consciously and intentionally devote to the facilitation of individual learning in order to continuously transform the entire organization and its context". In this context, the TQM is a landmark towards the learning organization philosophy. TQM's main doctrine is continuous improvement and is practiced as both a technique and philosophy. TQM helps organizations to focus on managing customer satisfaction by improving the organizations' processes, understanding of internal customer concept, involving every individual employee, implementing organizational wide training and development and concentrating on improvement of cost, quality and customer satisfaction (Evans and Lindsay 1999; Luthans 1998; Flood 1993). Barrow (1993) mentioned that organizational learning is an intended outcome of TQM, and there is a correlation between process improvement and organizational learning. Incremental innovation is achieved only through continuous learning and a learning organization can cultivate incremental innovation through effective learning mechanisms.

### **Conclusions**

The review of some of the organization learning literature has boundaries in the real world of organizations; Firstly, learning is based on systems thinking and stresses on the process of linear-sequential thinking. Each and every single process follows a plan-do-study-check circle and follows a scientific problem-solving or information-process system. This classification contains a certain degree of dearth in terms of flexibility, proactivity, innovativeness and energies in the business environment attributed by hyper-dynamics, Uncertainty and Chaos. Secondly, there is little evidence of creativity in the process of learning. Shortened product life cycles due to dynamic changes in technology have become a major impediment to the overall organization strategy to make improvements in the existing product ranges, processes and systems. Holding to existing product ranges and systems may become counterproductive in the real business world. In order to succeed, organizations need to switch focus on triple-loop learning. Triple loop learning encourages questioning the existing products and systems by strategically asking where and how the organization stand in the future market place with distinct people competencies. Triple-loop learning is also accompanied by organizational ambition, wisdom and courage, and involves in knowledge creation. The triple loop learning process registers a high degree of creative input and organizational unlearning, and is an interactive process. According to Kuhn (1962), people don't tend to discard their current beliefs and methods as long as they seem to produce reasonable results and until inconvertible evidence, usually in form of failures, convinces them to accept new paradigms (Petroski 1992, p 180-182). The persistence on existing beliefs and methods hold back learning, therefore, organizational learning is often accompanied with certain degree of organizational unlearning. Organizations have to discard the things they have learned previously. They need to dispose their plan rather than try to extend the life cycle of a successful product, process or organization policy (Drucker 1993). In a sense organizational learning is all about organizational unlearning.

This paper is aimed to illustrate the potential and synergy between the various approaches of learning. The concept of organizational learning has been developed from the individual learning perspective and is commonly believed to involve all aspects of the human nature and the interaction with the environment. However, organizations are in a more complicated context than an individual to the environment. To clarify, organizational learning is not simply the collectivity of individual learning processes, but connects between the individual members in the organization and interaction between organizations as an entity and interaction between the organization and its contexts. The vast area of organizational learning field has created diversified understanding of the concept of organizational learning. To reinforce the understanding, seven constructs or focuses of the concept and the associated practices have been identified. Although these focuses of organizational learning are evident, they overlap each other and does not essentially exclude from one another. The successful implementation of organization learning is a journey where all the focuses are used according to organization situations. Organizational learning is an ever evolving concept and includes all aspects that will facilitate organization to build and maintain competitive advantage. It has been found that research on organizational learning needs to incorporate the perspective of creativity and radical innovation, as a strategic orientation to sustain competitive advantage.

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