PREFACE

A learning organization is an organization skilled at creating, acquiring and transferring knowledge and at modifying its behavior to reflect new knowledge and insights. Learning organizations discover what is effective by reframing their own experience and learning from that process. They are self-aware, extrospective organizations that constantly scan their environments. People are continually learning how to learn together in learning organizations. The stories of successful organizations show that success and effectiveness come from the ability of firms to scan the environment, to update their knowledge, and to learn from potential threats and opportunities.

An effort has been made in the following pages to understand the basic concept and characteristics of a learning organization and to identify the extent to which nine leading companies of Gujarat representing pharmaceuticals, chemicals, petrochemicals, textiles and engineering sectors can be considered as learning organizations.

To meet with the above objective, a conceptual framework of a learning organization was designed from the review of vast literature on the subject and eleven characteristics of learning organizations were identified. The companies under study were examined to see to what extent they possessed the eleven characteristics of a learning organization.

A second phase of study was the administration of a multiple choice questionnaire which gathered data on the companies under study under three major components of a learning organization: (a) Supportive Learning Environment (b) Concrete Learning Processes and Practices, and (c) Leadership that Reinforces Learning. A third phase of study was the administration of open ended questionnaire to the companies under study which yielded extensive information from them on fourteen variables relevant to learning organization practices. These variables were companies' vision and their spreading of vision, their training programmes, manpower management, and their training and rewarding employees for innovation, making their employees autonomous, changes made so far by the companies,
efforts made by the companies to spread knowledge within their organization, team building methods of the companies, their learning mechanisms from external environment and their plan for the next ten years. This study is unique in the sense that it has studied learning organizations through three perspectives. In reality, this study is about the case studies of nine companies of Gujarat though it presents case studies not vertically but horizontally. It gives historical background of the companies under study and their case histories are divided into different variables of learning organization. This is a unique way of presentation so that in order to get a full view of the company as a learning organization one has to look into the different variables and join the relevant parts to view the company as a whole. Here, not only companies but their four major departments – Manufacturing, Marketing, Finance and R&D are also examined and ranked in order of their capabilities as learning organizations.

In this study, several concepts and ideas relevant to learning organization are mentioned. A brief explanation of them is given below:

**Kaizen** is a Japanese term for continuous improvement.

**System** is a series of functions or activities within an organization that work together for the aim of the organization.

**Benchmarking** is a process of finding the best available product features, processes and services and using them as standard for improving company’s own products, processes and services.

**360 degree performance evaluation** refers to the evaluation of an employee made by his subordinates, colleagues and boss and giving employee feedback about his performance from three sources.

**TQM** means total quality management. It consists of those actions needed to get world class quality. It focuses on increasing the quality of what is produced. It empowers employees for improving quality of products or services continuously through employee participation.

**Cross functional** teams are defined as teams of employees from different departments or sections of the company.

**Cross Cultural teams** are teams of employees representing different ethnic or countries or languages background so as to bring diversity of backgrounds and perspectives in the working of the team.
**Top-down management** is an approach to management where orders and instructions flow from the top of an organization while feedback flow from bottom to the top in minimal.

**Brainstorming** is an exercise in which participants spontaneously propose alternatives even if they seem unrealistic or fantastic. House Magazine or House Journal is a journal or newsletter of a company for the circulation among its employees only.

**Role playing** is a method of learning by the employees in a group where they act out different roles relevant to an organization. For an example, boss plays the role of a subordinate and subordinate plays the role of a boss.

**Mentoring** is a training technique where the boss or some other senior member in the organization gives coaching to the employee on a one-to-one basis and gives him frequent feedbacks with suggestions to improve his performance.

**MIS** is defined as Management Information System which is computer based information system in an organization for more effective planning, decision-making, problem solving and management control.

**Six Sigma** defines the concept of achieving 99.99 percent defect free manufacturing.

It is hoped that this study will further contribute to our understanding of a learning organization in an Indian context and many companies will move in the direction of the learning organization as recommended in the last chapter of this dissertation. It is also hoped that this study on learning organization will stimulate other researchers to explore this area in greater details.