LEARNING ORGANIZATION

A learning organization is one that seeks to create its own future that assumes learning is an ongoing and creative process for its members and one that develops and adapts and transforms itself in response to internal and external changes.

Senge (1990) defines learning organizations as an organization 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 together.

Senge’s understanding of learning organization has been supported by Pedler (1991) who defines it as an organization that facilitates the learning of all its members and continuously transforms itself. It cannot be brought about by training individual, it can only happen as a result of learning at the whole organization level. A learning organization also tests its assumptions and continually strives for improvements.

Watkins and Marsick (1992) state that learning organizations are characterized by total employee involvement in a process of collaboratively conducted, collectively accountable change directed towards shared vision or principles. Huber (1991) and Day (1994) still view the concept of the learning organization in information processing terms. Campbell and Cairns (1994) define it as a company that improves and transfers knowledge that improve individual learning. David Garvin (1993) describes the techniques that companies have developed to master five key activities associated with learning thus indirectly defining the learning organization. These five activities associated with learning organizations are: systematic problem solving, experimentation, learning from past
experience, learning from others, and transferring knowledge. Several researchers in this field have raised the following issues regarding learning organization.

**Bi-modal world:** By conceiving of “learning organizations” and advocating for their creation or development, theorists effectively bifurcate the world of organizations. When learning is used as an adjective to describe a particular type of organization, one underlying assumption is that some organizations learn, others do not. Such a division suggests that learning is optional and not indigenous to the life of organizations.

**Source of learning:** Why do some organizations learn and others do not? Learning, as a mechanism to foster organizational improvement, does not occur through chance or random action but through the development and use of specific skills. Without disciplined action or intervention from their leaders, organizations fail to learn due to the impact of the many forces that constrain learning.

**Culture and learning:** For organizations to learn, they must have the right culture, a learning culture. Mayo and Rick (1993) claim that a learning organization can be recognized by the interdependence of language and culture. In a similar manner, Beckhard and Pritchard (1992) discuss building a learning organization by creating that which values learning and rewards progress, not just results.

**Organizations as homogeneous, structured systems:** Duncan and Weis (1979) explain that learning occurs when organizations match their structures to their environments in order to maximize the understanding of members of action-outcome relationships. Purser and Pasmore (1992) claim that learning is dependent on the design of knowledge work. To maximize learning, the design of knowledge work must be formalized and aligned with the influence of decision-makers.
Learning style: An oft-cited theoretical distinction in learning styles is Argyris and Schon’s familiar contrast (1978) between single and double-loop learning. More recently, “triple-loop learning,” learning about learning, has been identified as yet another learning style. Learning organizations promote double and triple-loop learning since those styles are considered more advanced.

Managerial focal point: Learning disabilities occur due to the fundamental ways in which individuals have been trained to think and act (Argyris and Schon, 1974, 1978; Senge, 1990) and from organizational barriers to discover and utilize solutions to organizational problems. Watkins and Marsick (1993) address three barriers to learning – learned helplessness, truncated learning, and tunnel vision – with the latter paralleling Senge’s call for a systems perspective. To avoid or solve learning disabilities, organizational leadership must establish the normative conditions essential for learning to take place. The focus may be on enhancing competencies of individual members or teams, changing the organizational culture, or redesigning structures or systems.

According to Calvert et.al (1994), the learning organization has the following characteristics:

- They provide continuous learning opportunities.
- They use learning to reach their goals.
- They link individual performance with organizational performance.
- They foster enquiry and dialogue.
- They make it safe for their employees to share openly and take risks.
- They embrace creative tension as a source of renewal.
- They are continuously aware of their environment and interact with it.

The concept of the learning organization plays a pivotal role in contemporary management theory and practice. The learning organization is a system perfectly suited to the unstable environment in an information society. Flexibility and innovation in this system are achieved by reversing the traditional top-down flow of information from managers to
workers. The idea that an organization could learn in ways that are independent of the individuals within it is the key breakthrough, which was first articulated in Cyert and March (1963). Before the idea of a learning organization developed, the idea of organizational learning became popular because of the work of Cyert and March (1963). Both these ideas are interrelated.

Cyert and March (1963) propose a general theory of organizational learning as a part of models of decision making within the firm and emphasize the role of rules, procedures and routines in response to external shocks and which are more or less likely to be adopted according to whether or not they lead to positive consequences for the organizational learning.

Cangelos and Dill (1965) produced the first publication in which the phrase “organizational learning” appeared in the title. This paper is based on tendentious data against the non-rationality underlying the Cyert and March Model. Cangelos and Dill (1965) proposed a model based on tensions between individual and organizational levels of learning, which is similar to the notion of organizational learning being a discontinuous process, and is reflected in the contemporary work.

The book by Argyris and Schon (1978) was important since it laid out the field as a whole clearly, and the distinction between organizations with and without the capacity to engage in significant learning received a great deal of attention. In it, the authors take a different critique of the rationalist assumptions of Cyert and March (1963) by pointing out that human behavior within organizations frequently does not follow the lines of economic rationality. Both individuals and organizations seek to protect themselves from the unpleasant experience of learning by establishing defensive routines.

The idea of the learning organization is of more recent origin. It emerged towards the end of the 1980s largely on the basis of European work, with U.K. authors such as Garatt (1988) and Pedler (1989) making early contributions. The paper by de Geus (1988), which was published in the Harvard Business Review (1980), brought the concepts to wider attention. Nevertheless, the major watershed was the book by Senge (1990), which
attracted enormous interest, particularly because companies and consultants were searching for new ideas to replace the largely discredited concepts of corporate excellence. Senge’s book was both a foundational work and popular because it rapidly became a key source for academic as well as an inspiration for practitioners. Senge’s ideas were highly attractive because they provided the potential for renewal and growth, with an underpinning of both technical and social ideas drawn from the system dynamics developed by Jay Forrester at MIT, the psychodynamics organizational theory developed by Chris Argyris and the process consultation of ED Schein.

In USA, Chris Argyris may be one of the earliest scholars engaged in the study of the learning organization. Initially, the argument was merely around the question of whether there is such a thing as the “Learning Organization”, “Do organizations learn?” “Can they learn?” Scholars knew that individuals were not certain whether organizations, which possess no brain and no nerve system, learn. Argyris and Schon (1978) argue that although the social organization does not have a physical brain as the human body does, it has a collective brain that is made possible by communicative exchange between and among the brains of the individual organizational members. Argyris and Schon (1978) contend that one evidence of the existences of “organizational learning” comes from such daily statements: “The management decides that ………” “The company made a serious mistake and should draw a lesson from it.” and “The R&D department thinks that……..”. The establishment of the existence of “organizational learning” or the “learning organizations” helped to pave the long road along which Argyris and Schon pursued their studies of the “learning organization”.

It may also be Argyris and Schon who as mentioned above, first introduced the concept of “double-loop” learning (Argyris and Schon, 1978). A “double-loop” learning organization focuses on the assumptions underlying its standards instead of merely trying to improve on a particular set of standards and dimensions. In this sense, a learning organization has a self-reflective capacity. “Single-loop learning”, according to these scholars, is the type that only involves the simplistic, reactive learning framework of “stimuli-response”. Single –loop learning endeavors to improve performance on the basis of existing rules, tools and assumptions without checking the rules, tools and assumptions themselves. On the other
hand, double-loop learning questions the rules, tools and assumptions which were successful in the past but are no longer successful now.

The definition of the “learning organization” attempted by Argyris (1996) is simple. This definition is based on the usefulness of information and states that organization may be said to learn when it acquires information. Thus, to Argyris, information gathering seems to be the central feature of learning organization. Argyris seems to believe that information should be the basis for organizational action. Organizational actions which are not information-based are arbitrary and self-defeating.

Argyris terms the process of information gathering in an organization as “organizational inquiry”. He used the word inquiry in a more fundamental sense that originates in the work of John Dewey. Inquiry is the marriage of thought and action that proceeds from doubt to the resolution of doubt. In Deweyan inquiry, doubt is interpreted as the experience of a problematic situation, triggered by the mismatch between the desired result from an action and the actual result from this action. To make it simpler, inquiry is an attempt to solve a problem by decreasing doubt. Here, it may be claimed that inquiry through reduction of doubt is another essential feature of the “learning organization”.

Weick’s model (1995) of equivocality reduction goes well with Argyris’s (1992) concept of inquiry. According to Weick, the purpose of organization is cooperation with others so that the cooperative network therein will provide the organization with enough detailed information to interpret complex problems and develop meaningful strategies to deal with those problems. For successful organizational actions, there should be a balance between the equivocality of the situation and the amount of the needed information. In other words, for more complex or equivocal situation, more information is needed. Routine situations simply would find adequate solutions in existing rules and norms. The process, as defined by Weick (1995) of gathering enough information to match with the existent components of the situational complexity, is roughly the same as the concept of inquiry by Argyris. Again in terms of essential features of the learning organization, Weick (1995) provides us with a cooperative network, which furnishes the necessary information to help reduce the equivocality of a complex situation so that problems could be solved.
The cooperativeness in Weick’s “cooperative network” is echoed back by Argyris (1992). Argyris believes that an organization is not a collection of separate individuals but a collection of interdependent and interlocked individuals. Interdependence between and among organization members distinguishes an organization from a mob, as contended by Argyris. Every individual possesses information and knowledge much of which is contributive to the solution of organizational problems provided these individuals in their organizations pursue a collective goal. Yet in a mob, because of a lack of systematic interdependence and networking between and among individuals, information and knowledge held by individuals fail to enter into the stream of distinctive organizational thought and action and therefore organization knows less than its members.

In contrast, an organization possesses a coordinated communication system like the information carrying nerve system of a living body, and this coordinated communication system enables the organizational members to effectively exchange information throughout the organization. Effective exchange of information helps to assure that organizational actions are information-based. In other words, an effective organization, in order to distinguish itself from a mob, must possess interdependence among its members to facilitate effective exchange of information. If distinction between an organization and a mob holds true, there is cause to doubt how many organizations at present are effective organizations rather than mobs, despite their modern buildings, labyrinth-like bureaucratic procedures, computers, rules and regulations. Countless organizations seem to suffer from blocked communication channels that hinder effective exchange of information.

Other scholars further researched interdependence as an essential feature of the learning organization. W.Edwards Deming (1982) was a prominent researcher in this area. Deming (1982) talked about the distinction between a learning organization and a non-learning organization, although he did not explicitly use the term “learning organization”. Deming explained this distinction by introducing two cycles of action, the old cycle and the new cycle. In the old cycle of organizational action, a product is first designed. Second, the designed product is produced. Finally the producer tries to sell this product in this old cycle of organizational action, but we don’t see any interdependence. At most, we see a
sequential dependence. The third step depends on the second step. The second step depends on the first step. This one-directional and sequential dependence contains an obvious risk. If the design happens to be bad, everything else will by no means fare well. More importantly, the fluid changes in the reality of market are not adequately incorporated in this cycle of action.

In Deming’s (1982) new cycle of organizational action, we do see interdependence. Plan influences action and results of the action are studied. Depending on the lesson drawn from the study, decisions are made about the action: adopt, reject, or run the cycle again. The revised action will feed new elements into another cycle of planning. This new cycle of organizational action, unlike the old one, is not a one-time, one-directional, and self-dependent process. It is a flowing, non-stop, interactive and balanced process, a reflection of the very image of the living life. There is interdependence among all of the four steps in the cycle. Deming’s systemic cycle of organizational action represents a constant processing of information, which finds a supportive voice in the concept of “information gathering” by Argyris.

Peter Senge (1990) is another enthusiastic and prominent advocate of the learning organization. In his influential book, “The Fifth Discipline: The Art and Practice of the Learning Organization” (1990), he offers five “disciplines” that build a learning organization: (1) Systems thinking; (2) Personal mastery; (3) Mental models; (4) Building shared vision; and (5) Team building.

In what follows, the five disciplines which are the components of a learning organization are briefly discussed below for greater clarify, starting with Mental Models.

**MENTAL MODELS IN LEARNING ORGANIZATION**

One thing all managers know is that many of the best ideas never get put into practice. Brilliant strategies fail to get translated into action; systemic insight never finds its way into operating policies. A pilot experiment may prove to everyone’s satisfaction that a new approach leads to better results, but widespread adoption of the approach never occurs.
We are increasingly led now to believe that this is not due to weak intentions, wavering will or even non-systemic understanding, but stems from mental models. More specifically, new insights fail to get put into practices because they conflict with deeply-held internal images of how the world works, images that limit us to familiar ways of thinking and acting. That is why the discipline of managing mental models works – testing and improving our internal pictures of how the world works – promises to be a major breakthrough for building learning organization. None of us can carry on organization in our minds or a family, or a community; what we carry in our heads are images, assumptions and stories. Philosophers have discussed mental models for centuries. Mental models can be simple generalizations or they can be complex theories. But what is most important to grasp is that mental models are active. They shape how we act. If we believe people are untrustworthy, we act differently from the way we would if we believed they were trustworthy.

Why are mental models so powerful in affecting what we do? In part because they affect what we see. Two people with different mental models can observe the same event and describe it differently because they have looked at different details. In a crowded party, we take in the same basic sensory data, but we pick out different faces. As psychologists say, we observe selectively. This is no less true for supposedly “objective” observers such as scientists than for people in general.

The way mental models shape our perceptions is important in management. For decades the Big Three of Detroit believed that people bought automobiles on the basis of styling not for quality or reliability. Judging by the evidence they gathered the automakers were right. Surveys and buying habits consistently suggested that American consumers cared about styling much more than about quality. These preferences gradually changed, however, as German and Japanese automakers slowly educated American consumers about the benefits of quality and style and increased their share of the U.S. market from near zero to 38 percent by 1986.
The problems with mental models lie not in whether they are right or wrong – by definition, all models are simplification. The problems with mental models arise when they exist below the level of awareness. The Detroit automakers did not say “we have mental model that all people care about is styling”. They said “All people care about is styling”. Because they remained unaware of their mental models, the models remained unchanged.

As the Detroit automakers demonstrated, entire industries can develop chronic misfits between mental models and reality. In some ways, close-knit industries are especially vulnerable because all the member companies look to each other for standard of best practice. Such outdated reinforcement of mental models existed in many basic U.S. manufacturing industries, not just automobiles throughout the 1960s and 1970s.

**SHARED VISION IN LEARNING ORGANIZATIONS**

A shared vision is not an idea. It is rather, a force in people’s hearts, a force of impressive power. It may be inspired by an idea, but once it goes further – if it is compelling enough to acquire the support of more than one person – then it is no longer an abstraction. People begin to see it as if it exists. Few, if any forces in human affairs are as powerful as shared vision.

At its simplest level, a shared vision is the answer to the questions, what do we want to create? Just as personal visions are pictures or images people carry in their heads, so too are shared visions pictures that people throughout an organizations carry. They create a sense of commonality that permeates the organizations and gives coherence to diverse activities.

When people truly share a vision they are connected, bound together by a common aspiration. Personal visions derive their power from common caring. In fact, one of the reasons people seek to build shared vision is their desire to be connected in an important undertaking.
Shared vision is vital for the learning organization because it provides the focus and energy for learning. While adaptive learning is possible without vision, generative learning occurs only when people are striving to accomplish something that matters deeply to them. In fact, the whole idea of generative learning seems abstract and meaningless until people become excited about some vision they truly want to accomplish.

Visions are exhilarating. They create the spark and the excitement that lifts an organization out of the mundane. Shared vision compels courage so naturally that people do not even realize the extent of their courage. Courage is simply doing whatever is needed in pursuit of the vision.

Shared vision fosters taking risks and experimentation. When you are immersed in a vision, you know what needs to be done, but you often don’t know how to do it. You run an experiment because you think it is going to get you there. You change direction and run another experiment if it does not work.

**TEAM LEARNING IN LEARNING ORGANIZATIONS**

Team learning is the process of aligning the capacity of a team to create the result its members truly desire. It builds the discipline of developing shared vision. It also builds on personal mastery, for talented teams are made up of talented individuals. But shared vision and talent are not enough. The world is full of teams of talented individuals who share a vision for a while, yet fail to learn.

Within organizations, team learning has three critical dimensions. First, there is the need to think insightfully about complex issues. Here, teams must learn how to tap the potential for many minds to be more intelligent than one mind. While easy to say, there are powerful forces at work: organizations tend to make the intelligence of the team less than not greater than, the intelligence of individual team members. Many of these forces are within the direct control of the team members.
Second, there is the need for innovative coordinated action. The championship sports team and great jazz ensembles provides metaphors for acting in spontaneous, yet coordinated ways: outstanding teams in organizations also develop that sort of relationship – an operational trust where each team member remains conscious of other team members and can be counted on to act in ways that complement each other’s actions.

Third, there is the role of team members for other teams. For example, most of the actions of senior teams are actually carried out though other teams. Thus, a learning team continually fosters other learning teams through inculcating the practices and skills of team learning more broadly.

The discipline of team learning involves mastering the practices of dialogue and discussion, the two distinct ways that teams converse. In dialogue, there is the free and creative exploration of subtle issues, deep “listening” to one another and suspending of one’s own views. By contracts, in discussion different views are presented and defended and there is a search for the last view to support decisions that must be made at this time. Dialogue and discussion are potentially complementary, but most teams lack the ability to distinguish between the two.

Team learning also involves learning how to deal creatively with the powerful forces opposing productive dialogue and discussion. In working teams, chief among these are what Chris Argyris calls “defensive routines’, habitual ways of interacting that protect us and others from threat or embarrassment, but which also prevent us from learning.

A team may resist seeing important problems more systematically. To do so would imply that the problems arise from our own policies and strategies – that is “from us” – rather than from forces outside our control. Many situations are there where we will say “we are already thinking systematically”, or simply hold steadfastly to the view that “there is nothing we can do except cope with these problems”.

SYSTEMS THINKING IN A LEARNING ORGANIZATION

Business and other human endeavors are systems. They are bound by invisible fabrics of interrelated actions which often take years to fully play out on each other. We tend to focus on snap shots of isolated parts of the systems and wonder why our deepest problems never seem to get solved. Systems thinking is a conceptual framework, a body of knowledge and tools that has been developed over the past fifty years, to make the full patterns clearer and then to help us see how to change them effectively. Though the tools are new, the underlying world view is intuitive.

The team “structure” does not mean the “logical structure” of a carefully developed argument or the reporting “structure” as shown by an organizational chart. Rather, “systematic structure” is concerned with the key interrelationships that influence behavior over time.

It is very important to understand that when the term ‘systemic structure” is used, it does not just mean structure outside the individual. The nature of structure in human systems is subtle because we are part of the structure. This means that we often have the power to alter structures within which we are operating.

PERSONAL MASTERY IN LEARNING ORGANIZATION

By “personal mastery”, Senge (199) refers to the capacity to clarify what is most important to the organization members and the ability to achieve it. In a learning organization, people do not fear their inner consciousness. Rather, they find this consciousness as the root of energy for the realization of the collective, organizational goal. A learning organization endeavors to decrease personal confusion by striving for congruence between individual aspirations and organizational ideals. Individuals learn to expand their personal capacity to create results that they most desire. Personal mastery differs from individual to individual but it must create a learning environment in a company so that others can grow and develop.
The discipline of system thinking of Senge’s learning organization is the capstone of the architecture of such an organization. The other four disciplines are the building blocks from the edifice of the learning organization. They are different manifestations of the systems thinking in various aspects of an organization. Nonaka and Takeuchi (1995) go a step further than do many scholars in their research of the learning organization in its real sense. A real learning organization not only gathers information, but also more importantly, creates knowledge. Knowledge is a much broader concept than information. Information is usually mechanistic, standardized, controlled, and impoverished for each electronic transaction. Knowledge which includes information can also be intuitive, subjective, subtle, unexpressed and yet highly valuable if properly tapped. According to Nonaka and Takeuchi (1995), there are two types of knowledge that help an organization to learn: the tacit knowledge and the explicit knowledge. An organization learns through knowledge creation, which, in turn, comes from an interactive conversion between the tacit knowledge and the explicit knowledge.

Tacit knowledge is usually possessed by individual organization members. This type of knowledge is tacit in that it is not easily visible and expressible. Tacit knowledge includes individual’s private beliefs, understandings, unexpressed information, subtle techniques accumulated through long experience, general feelings and rough concepts. Explicit knowledge, on the other hand, can easily be processed and transmitted electronically or otherwise. Explicit knowledge is usually systematically recorded in organizational documents, regulations, agendas, pamphlets and the like, making this type of knowledge easily retrievable. But the subjective and intuitive nature of tacit knowledge makes it difficult to process or transmit the acquired knowledge in any systematic and logical manner. Nonaka and Takeuchi, in the same book, also contend that the bulk of the knowledge that an organization can hope to possess may exist in the form of tacit knowledge.
Nonaka and Takeuchi (1995) support the view that a learning organization is a living organism, not merely an information-processing machine. In other words, sharing an understanding of what the company stands for, where it is going, what kind of a world it wants to live in, and how to make that world a reality becomes much more crucial than processing objective information. Nonaka and Takeuchi (1995) provide four modes of knowledge creation: from tacit to tacit, from tacit to explicit, from explicit to tacit and from explicit to explicit.

In the socialization or tacit mode of knowledge creation, organization members interact, socialize informally and exchange what they know in a spontaneous manner. What happens in the company of Honda may serve as one example of this type of knowledge creation. Honda has “brainstorming camps” where people exchange spontaneously what they know about their own specialized area, their understanding of some organizational problems, and their conceived solutions to some of the problems. There is one understood taboo in such socialization: criticism without constructive suggestions.

The externalization mode of knowledge creation is typically seen in the process of concept creation and is trigged by dialogue or collective reflection. The use of metaphors, analogies, concepts, hypotheses, or models can help transform tacit knowledge into explicit knowledge.

In the internalization mode of knowledge creation, individual members internalize the publicly available knowledge through personal actions and experience. Similarities among such actions and experiences by different individuals will help to form shared mental models and technical know-how.

Combination is a process of systemizing concepts into a knowledge system. This mode of knowledge creation involves exchanging, sorting, adding, combining, and categorization between and among different bodies of explicit knowledge. Channels used for this mode of knowledge creation includes documents, meetings, telephone conversations, or computer communication networks.
Obviously, the defining feature of the learning organization is the ability and mechanism that help create knowledge. Various other aspects/features of the learning organization have been researched and described by other scholars. These scholars may not have explicitly used the term, “learning organizations”, but many of their efforts are clearly toward a discussion of how an organization learns and how it can learn well.

THEORETICAL UNDERPINNINGS OF THE CONCEPTS OF LEARNING ORGANIZATION

From the previous summary of the essential features of a learning organization, it is not difficult to discern the theoretical underpinning of the concept of the learning organization. Without a systemic network of facilities for knowledge creation and information collection, an organization will have no means with which to learn. For knowledge and information within an organization to be useful guides for organizational action, they must flow throughout the organization and become a shared foundation for beliefs, perception, aspirations, and mental models. Researchers on the learning organization borrow heavily from the concepts of systemic functioning of an organism when expounding the concept of the learning organization. The general systems theory, as it serves many other scholarly thoughts, seems to be also the theoretical foundation of which the concept of the learning organization is based.

Von Bertalanfty (1951) is considered to be the founding father of the general systems theory. General systems theory presents the organization as a complex set of interdependent parts that interact with each other to adapt to a constantly changing environment both for survival and for fulfilling its goals.
An organization that resembles an organism should be a successful one. No human organization has become as successful as the living organism in its systemic functioning. A learning organization strives to be like an organism. Interdependence is an essential feature of the learning organization, in that communication and decision-making in such an organization is fluid and multidirectional. In a learning organization, every organizational department feels needed and necessary to the realization of the organization’s goal.

This single, underlying mechanism of Nonaka and Takeuchi’s (1995) four modes of knowledge creation is an interaction between different organizational components. One might call this process the fluid infiltration. It is amazing how quickly water can be spread on absorbent texture like paper and cloth. Yet nothing happens if the water stays in its container. In the context of the organization, every individual member is a container holding “water” – some useful information and knowledge. They must have “absorbent textures” to purge their “water” onto and to let their “water” spread along. The only way to establish the “absorbent textures” in an organization is interaction. For interaction to occur, a communicative network, like the nerve system in the living body, is essential.

The learning organization does not simply collect information and knowledge on anything. It collects information and creates knowledge about the relevant environment, both the internal environment and the external environment. The internal environment is composed of the organizational members, the equipment, and daily functioning of the organization. The external environment is composed of customers, government, social movements, cultural fashions, social activists, and technological advances. Information and knowledge about the environment is essential because it helps to sketch the map directing organizational adaptation to the environment.
OPERATIONALIZING THE LEARNING ORGANIZATIONS

More recent researchers on the learning organization, instead of studying the major conceptual components or the essential features of the learning organization, are giving more attention to the operationalization of the learning organization. That is, they are trying to find the methods, facilities and strategies to create the essential features of the learning organization.

Schein (1985) discussed how to start and maintain dialogue, one facility of interaction that contributes to organizational learning. Schein believes that the facilitator of the dialogue/discussion group plays an important role in starting and maintaining dialogue. The facilitator can engage in the following activities: (1) organize the physical space so that it is as nearly a circle as possible; (2) introduce the general concept and ask members to recall relevant experience; (3) ask people to share their experience with their neighbor; (4) ask the member to share the experience with the group; (5) ask the group to reflect on the experience by having each person in turn talk about his/her reactions; (6) allow conversations to flow naturally; (7) intervene for necessary clarification; and (8) close the session by inviting any comments.

David Garvin (HBR March 2008) has laid down the following criteria for building a learning organization. He calls them Building Blocks. Following are the three Building Blocks and their components for building a learning organization as suggested by him.

**Building Block-I :** Creating Supportive Learning Environment through (a) Psychological safety for employee (b) Openness to new ideas, and (c) Time given to employees and managers for reflection on their performance.
Building Block-II: Designing Concrete Learning Policies and Practices through (a) Experimentation with new ways of working and thinking (b) Information collection from environment (c) Analysis which means allowing discussions and debates among employees (d) Education and Training (e) Information Transfer between and among employees and outside stakeholders.

Building Block-III: Leadership that Reinforces Learning and Implements Building Block-I and Building Block-II.

PROPOSED ACTIVITIES OF A LEARNING ORGANIZATION (BY MANY PROFESSIONALS)

1. Systematic problem solving:
   • Thinking with systems theory
   • Insisting on data rather than assumptions
   • Using statistical tools

2. Experimentation with new approaches:
   • Ensure steady flow of new ideas
   • Incentives for risk taking
   • Demonstration projects

3. Learning from their own experiences and past history:
   • Recognition of the value of productive failure instead of unproductive success

4. Learning from the experiences and best practices of others:
   • Enthusiastic borrowing

5. Transferring knowledge quickly and efficiently throughout the organization:
   • Reports
   • Tours
   • Personnel rotation programs
   • Training programs
Most practices of learning organization have included a combination of five or more components for building a learning organization.

1) **Awareness**

Organizations must be aware that learning is necessary before they can develop into a Learning Organization. This may seem to be a strange statement but this learning must take place at all levels; not just at the management level. Once the company has accepted the need for change, it is then responsible for creating the appropriate environment for this change to occur.

2) **Environment**

Centralized, mechanistic structures do not create a good environment. Individuals do not have a comprehensive picture of the whole organization and its goals. This causes parochial systems to be set up which stifle the learning process. Therefore a more flexible, organic structure must be formed. By organic, we mean a flatter structure, which encourages innovations. The flatter structure also promotes passing of information between workers and so creating a more informed workforce.

It is necessary for management to take on a new philosophy; to encourage openness, reflectivity and accept error and uncertainty. Members need to be able to question decisions without the fear of reprimand. This questioning can often highlight problems at an early stage and reduce time consuming errors. One way of over-coming this fear is to introduce anonymity so that questions can be asked or suggestions made but the source is not necessarily known.

3) **Leadership**

Leaders should foster the Systems Thinking concept and encourage learning to help both the individual and organization in learning. It is the leader's responsibility to help restructure the individual views of team members. For example, they need to help the teams understand that competition is a form of learning; not a hostile act.
Management must provide commitment for long-term learning in the form of resources. The amount of resources available (money, personnel and time) determines the quantity and quality of learning. This means that the organization must be prepared to support learning by its members.

4) **Empowerment**

The locus of control shifts from managers to workers. This is where the term Empowerment is introduced. The workers become responsible for their actions; but the managers do not lose their involvement. They still need to encourage, enthuse and co-ordinate the workers. Equal participation must be allowed at all levels so that members can learn from each other simultaneously. This is unlike traditionally learning that involves a top-down structure which is time consuming.

5) **Spread knowledge within organization**

It is important for a company to learn from its mistakes and also to appreciate its successes. Discussion and contribution in a team framework is vital, followed by assessment and planning. Each member should be encouraged to self-assess his own performance.

The learning should not just stop at the team, however. Lateral spread of knowledge throughout the company can be implemented by a number of mechanisms. Oral, written and visual presentations; site visit and tours; personnel rotation programs; education and training programs will all encourage the spread of knowledge and experiences along with reduction of hierarchy and red tape present in many stagnant companies.
To learn from ones mistakes, one must be able to accept failure, analyze the reasons for the failure and take action. Disappointment and mistakes are part of the changing process and essential to learning. A true Learning Organization will treat mistakes as case studies for discussion, thus learning and ensuring the same mistake does not happen again.

For this to be done without blame, and with implied forgiveness, the learning has to be guided by a neutral mentor or coach. This figure may be from inside or outside the organization, and need not necessarily possess much authority. It is often beneficial to an organization to form a list of mentors, whose services they can rely on.

6) **Facilitate Learning from Environment**

In order to keep a leading edge over its counterparts, the learning organization has to keep abreast with the happenings in its internal and external environment. Technical and political issues that may exert pressure on the organization's current and future operations are identified and monitored.

- Internal sources of information can be workteams, departments or affiliated companies/ institutes within the organization.
- Outside consultants, other players in the same field and even customers are potential external sources.
- Disseminating the value-added information in an efficient manner so that everyone within the organization easily accesses it. One suggestion that stands out in the age of information highway is putting the computer database on the Internet system with limited employee-only access.
Joint ventures provide precious opportunities of actively observing how others' systems are run. In such cases, learning objectives should be clearly stated in the contractual agreements between the allies to avoid any future misunderstandings. Accusations of corporate spying are serious matter hence everything should be brought out in the open right from the start and nothing should be done secretly.

Customers represent the best research and development source, as they know exactly what they and the market in general want. Moreover, this invaluable resource is free! Hence, it is worthwhile to try to involve the customers in product/service design.

7) **Reward Learning**

The performance appraisal is meant to reflect the organization’s commitment to create a learning culture, that is, to promote acquisition of new skills, teamwork as well as individual effort, openness and objectivity and continuous personal development. The fragile human ego yearns for acknowledgement from superiors and fellow colleagues for one's work, in some form of reward or, simply, feedback. Everyone wants to feel that he or she is doing a `real' job and actively contributing to the proper functioning of the organization. Therefore learning should be rewarded because everyone wants his learning to be rewarded.

8) **Encourage Experimentation**

If learning comes through experience, it follows that the more one participates in guided experiences, the more one learns. Therefore venturing into uncharted waters - and experiencing the failures that may occur - is an important part of organizational learning.
Every change requires a certain degree of experimentation. To allow this experimentation is the central concept behind a Learning Organization. Giving employees opportunities and responsibilities is a risk and can be costly in terms of resources. However for a company to learn it is a necessary risk, and approached in a positive manner, will bring many benefits. Innovation, after all, is what sets a company apart.

A Learning Organization needs to experiment by having both formal and informal ways of asking questions, seeking out theories, testing them, and reflecting upon them. It should try to predict events and plan to avoid mistakes -- be active rather than passive. One way to do this is to review their competitors' work and progress and try to learn from their experiences.

9) **Learning through games**

Companies can learn to achieve these aims in Learning games. These are small-scale models of real-life settings where management teams learn how to learn together through simulation games. They need to find out what failure is like so that they can learn from their mistakes in the future. These managers are then responsible for setting up an open and flexible atmosphere in their organizations to encourage their workers to follow their learning example.

Anonymity has already been mentioned and can be achieved through electronic conferencing. This type of conferencing can also encourage different sites to communicate and share knowledge, thus making a company truly a Learning Organization.
10) **Thrive on Change**

The crux of this idea is that for a Learning Organization to be achieved many changes must be implemented. There can be no doubt that an organization that enters such changes without a full commitment to them will not succeed. Hence it needs constantly re-framing; looking at problems from different angles or developing and exercising skills. In short, it is never static. To comply with this, the people in the organization must continually adapt to changing circumstances.

It is vital that the changing process be driven from the very top levels of the organization: the managers must lead the changes with a positive attitude and have a clear vision of what is to be achieved. It is crucial that the management all agree on the direction and content of change.

**OBSTACLES TO LEARNING ORGANIZATION**

We would like to affirm that while the visionary concepts of the Learning Organization are inspiring, the reality is that implementation of such systems requires a massive change of attitude that is not always easy to achieve. Success rests in creating a highly-trust organization where knowledge is readily exchanged. In practice there are many barriers. Knowledge is seen as power, and jealously guarded. Its possession and use can further ambitions. A culture of openness may be difficult to achieve, particularly in organizations where suspicion has been the norm. Knowledge management thus has serious implications for communication structures, employee involvement schemes, reward systems and industrial relations.
Some of the most common obstacles to becoming a learning organization that should be avoided are as follows:

- Operational/fire fighting preoccupation - not creating time to sit back and think strategically
- Too focused on systems and process (e.g. ISO9000) to the exclusion of other factors (bureaucratic vs. thinking)
- Reluctance to train (or invest in training), other than for obvious immediate needs
- Too many hidden personal agendas
- Too top-down driven, over tight supervision, leading to lack of real empowerment

CONCEPTUAL LIMITATIONS

The most significant problem resides at a quite fundamental conceptual level. Through conceiving of ‘the organization’ as in itself engaging in ‘learning’, as ‘having’ an intelligence of its own, the organization gets an existence in and of itself and its existence beyond the level of the individuals who are the units of its constitution. This is something which is quite different from proposing that the ‘whole is more than the sum of its parts’. To clarify, while it is one thing to claim that one cannot properly understand a system if one does not conceive of it as a whole, and that organizational change cannot be reduced to isolated individual actions, it is another matter to claim that the organization has an existence beyond the level of human beings. It is almost as if the organization had ‘a life of its own’. Such a formulation is highly problematic.

At a more pragmatic level, a major problem with the ideal of the ‘learning organization’ is that it demands that senior management within organizations have an almost boundless faith in the value of continuous development. Moreover, it gives the practitioner few tools with which to assess the extent to which investment in development has improved organizational competitiveness.
NO PERFECT LEARNING ORGANIZATION

An example of a genuinely learning organization is still hard to find. It appears there is no organization yet that learns so well as to be able to receive the complete title of a learning organization. An organization that manifests learning is not necessarily a learning organization. An organization must have so much learning as to make learning an omnipresent thread in its organizational fabric in order to be worthy of the title of the “learning organization”. The functioning of a learning organization depends on an integrated system rather than piecemeal practices.

A learning organization requires, among many other things a communicative system that is almost as elaborately developed as the nerve system of living organism. Such a system enables an organization to have an immediate, constant and accurate response to environmental changes, both internal and external. Even the best-run companies in the world cannot match up to this standard. Human organizations probably still need to evolve for a long time in order to be able to function as learning organizations. Today most organizations are not learning organizations. But many organizations show major features of a learning organization through knowledge creation and sharing and rewarding their employees for it.