Introduction to Learning Organization

David Garvin in the August 1993 *Harvard Business Review* defines a learning organization as "an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights."

It can further be referred to as “*a company that facilitates the learning of all of its members and that continuously transforms itself*”.

The important component of the definitions above is the requirement that change occur in the way work gets done. Learning in an organization means the continuous testing of experience, and the transformation of that experience into knowledge-accessible to the whole organization, and relevant to its core purpose.

In a way those who work in a learning organization are “fully awakened” people. They are engaged in their work, striving to reach their potential, by sharing the vision of a worthy goal with team colleagues. They have mental models to guide them in the pursuit of personal mastery, and their personal goals are in alignment with the mission of the organization. Working in a learning organization is far from being a slave to a job that is unsatisfying; rather, it is seeing one’s work as part of a whole, a system where there are interrelationships and processes that depend on each other. Consequently, awakened workers take risks in order to learn, and they understand how to seek enduring solutions to problems instead of quick fixes. Lifelong commitment to high quality work can result when teams work together to capitalize on the synergy of the continuous group learning for optimal performance. Those in learning organizations are not slaves to living beings, but they can serve others in effective ways because they are well-prepared for change and working with others.

As highlighted in literature and in practices, a Learning Organization is seen as a response to an increasingly unpredictable and dynamic business environment. Learning Organizations are seen as adaptive to their external environment and continually enhancing their capabilities to change and to adapt. This could be done by developing collective as well as individual learning and by using the results of learning in order to achieve better results. Therefore “Learning Organizations are those that have in place systems, mechanisms and processes, that are used to continually enhance their capabilities and those who work with it or for it, to achieve sustainable objectives – for themselves and the communities in which they participate”.

Activities of a Learning Organization

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

Reasons to Build a Learning Organisation

1. Because we want superior performance.
2. To improve quality.
3. For customers.
4. For competitive advantage.
5. For an energized, committed workforce.
6. To manage change.
7. For the truth.
8. Because the times demand it.
9. Because we recognize our interdependence.
10. Because we want it.

Attributes of a Learning Organization

1. The first is learning how to disperse power on an orderly, non-chaotic basis. Right now the word "empowerment" is a very powerful buzzword. It's also very dangerous. Just granting power, without some method of discipline and order that comes out of a command-and-control bureaucracy, produces chaos. We have to learn to disperse power so that self-discipline can largely replace imposed discipline. That immerses us in the area of culture; replacing the bureaucracy with aspirations, values, and visions.
2. The second attribute of winning companies will be systemic understanding. ...We are good at the type of problem, which lends itself to a scientific solution and reductionist thinking. We are absolutely illiterate in subjects that require us to understand systems and interrelationships.
3. The third attribute that twenty-first companies will need is conversation. This is the single greatest tool in your organization -- more important than computers or sophisticated research. We are good at small talk....but when we face contentious issues -- when there are feelings about rights, or when two worthwhile principles come into conflict with one another -- we have so many defense mechanisms that impede communications that we are absolutely terrible.
4. Finally, under our old system of governance, one could lead by mandate. If you had the ability to climb the ladder, gain power, and then control that power, you could enforce these changes in attributes. But the forthcoming kind of company is going to require voluntary followership. Most of our leaders don't think in terms of getting voluntary followers; they think in terms of control.

Learning Organizations and Strategic conversations

Organizations learn. Just like individual people, organizations sense circumstances within their environment and they respond. They observe the results of their responses and remember the results, along with information gathered from other sources, for reference in designing future
responses. This process of sensing, responding, and observing/remembering goes largely unnoticed by the individuals working within the organization due to the complexity of the "anatomy" of organizations. But consciously or not, effectively or not, all organizations are doing these activities over and over. In studying the concept of learning organizations we seek the tools and methodologies that will help an organization learn consciously and proactively in pursuit of its goals. In a learning organization, our purpose for dialogue is to let the meaning of our words permeate through the group, or, to develop fully shared, even synergistic understanding of important information, experiences, goals, etc. among all the people involved.

Why is this so? Because it is the people that breathe the life into the organization, they do the sensing, responding, observing and remembering. An organization is nothing more than the actions, interactions, and resultant artifacts, of the people that participate. When an organization learns, it is the people who do the learning. Learning organization experts believe that if the organization is going to move decisively toward its vision it needs to develop a unique "consciousness" designed for the purpose. But this consciousness can only exist in the collective consciousness of the people, therefore dialogue is necessary to develop an organizational "consciousness" that is proactive and effective. Without shared understanding of information we will sense the environment differently, causing confusion. Without shared understanding of experiences we will advocate different responses, causing conflict. Without shared understanding of observations we will remember different outcomes, exacerbating the confusion and conflict. Dialogue is people coming together to share and analyze the information, ideas, and paradigms of their organization for the purpose of improving the organization's ability to sense, respond, observe/remember; for the purpose of improving the organization's capability to learn.

Our Strategic Conversations indeed are Maricopa people coming together to share and analyze information, ideas and paradigms that are of strategic importance to our organization. These sorts of discussions generally lead to mutual understanding, and when we do a good job, truly common understanding.

Organizational learning actually happens in the innumerable interactions of the people and manifests itself in their equally innumerable workplace activities. If 50 people at a Strategic Conversation all learn one thing, how often will that unit of learning actually affect their actions? How big an effect will it probably have even then? Small, to be sure. But dialogue's nature, small increments of learning happening in many places, creating effects in even more places, is generally not in the realm of short-term tangible change. It is in the realm of systemic and evolutionary change. Does this mean we shouldn't have bothered to learn from/with each other? No, it means that we need to incorporate dialogue into our daily work and understand that any one dialogue usually will not make an immediately discernible difference.

Another concern commonly arises about dialogue. Sometimes in Strategic Conversations it may feel like we are just "sharing our ignorance." After all, we are discussing complicated subjects and may or may not have any "real experts" in the room to guide us. But this too is natural. While dialogue, in the learning organization context, may have been happening here and there around Maricopa for years, creating it "on demand" is a new skill we are learning. We want to be a consciously and proactively learning organization.

Diversity and Learning Organization

The heart of learning organizations is the concept of "communities of commitment." The current U.S. culture promotes fragmentation of thoughts and detachment of individuals from the community. To the contrary, the building of a learning organization is not an individual task, but a systems approach that brings the parts (people) together to create alternative ways of working.
and living together. Capturing the strengths of diverse people is natural for a learning organization. The management of diversity must become a strategic issue.

The two goals of valuing diversity by believing that no one is more important than another, each is important in a unique way, and of developing a quality approach to its services are powerful momentums. A learning organization is the framework on which both these forces can be energized and strengthened.

The learning organization of the future will incorporate diversity into its internal processes by encouraging the expression of different point of views. Diversity of experience, education, gender, ethnicity, sexual orientation, expertise, and opinion can aid any organization in attempting to understand students, customers, competitors, and suppliers, anticipate future trends, and provide a challenging workplace for the employees. If the requisite level of diversity does not exist or is not effectively managed, the organization will be unable to adapt to a rapidly changing, external environment.

The quality concept of exceeding the needs of your customers comes into consideration when discussing diversity. A learning organization enables contributions from the people by:

- Discovering multiple ways to contribute
- Utilizing diversity of background and perspective
- Recognizing unique roles
- Providing support for the whole person

Diversity means many different relationships, many different approaches to the same problem. A diverse community is a resilient community, capable of adapting easily to changing situations. Accordingly, ecomanagement includes the conscious effort to include representatives from different interest groups, contradictory tendencies, different cultural backgrounds, etc., in the process of reflection and decision-making. ...All living systems develop, and all development is learning. Therefore a sustainable community is always a learning community; a community that continually changes, develops, and learns.

Leadership, Chaos, Individual Roles

The learning organization profoundly effects the individuals employed in it and several questions arise. What is the responsibility of the individual and the organization to the time and commitment toward learning activities? What individual competencies are need for the future? How do you get those competencies? What are the trainability and adaptability of employees? What are the consequences of discomfort, fear, and chaos? What is the role of employee groups? Are job descriptions and classifications still valid? What will be the rewards, recognitions and incentives for individuals? How do we get people to work well together? How do we honor and benefit from diversity? How do we get teams to work together quickly and efficiently? How do we resolve conflicts?

Theories and discussions from quantum physics, the new science, chaos, etc. create new ways of thinking about organizational design. They can help us evaluate current management practices, guide us through the fads, and direct us to deeper understandings.

Important roles for people within a learning organization include:
1. Top leaders and managers serve as learning roles models by sharing their own learning goals and by encouraging others to learn. They also recognize the need for individual learning for all levels of employees.

2. Individual employees accept responsibility for their own careers and their own personal learning. They do not wait to be taught nor expect the organization to provide career paths.

3. Learning and personal growth are actively encouraged and rewarded. There are incentives for individuals to stretch their abilities.

4. The "not invented here" syndrome is not practiced by individuals. There is a constant scanning of the internal and external environment for new ideas and trends that will lead to improvement.

5. Employees are held accountable for their performance and excellence is rewarded.

6. Procedures and policies are in place to ensure ongoing and timely reevaluation of changing job skill sets and requirements. Job descriptions and job requirements are examined regularly to accurately reflect the work being performed or skill sets required.

**Skill Sets Needed by Individuals in an Learning Organization**

1. Ability to understand the culture of the organization
2. Ability to let go of old myths
3. Ability to notice new patterns- language as an indicator
   - Multitasking
   - Miniaturization
   - Short-term memory overload
   - Low level depression and increasingly angry culture
   - Changes of speed
4. Ability to develop a clear perspective/ open perspective
   - Ability to relax
   - Sense of humor - ability to laugh
   - Knowing your history
   - Insulate hot buttons and fears
   - Ability to scan for information
   - Pretend you are an anthropologist and examine what leaders reward, evaluate, and control; what they are paying attention to; and what are they measuring
5. Ability to generate energy with coaching and building self-esteem; ability to bring energy into a room
6. Ability to learn forever
7. Ability to own your own career
8. Ability to create "safe" environment for others
9. Ability to see what's coming and what's leaving so you can make choices faster; faster response time

**Collective Learning and Learning Organization**

Right at the center of the concept of the learning organization is the idea of collective learning itself. If we are to believe the literature, collective learning is likely to constitute the key source of competitive advantage within a rapidly changing global market. What Senge and other similar writers point towards is the need to develop a culture of continuous development. To do so, they argue, practitioners must place human relationships at the center of their analyses and strategic interventions. A key theme in ‘making the learning organization happen’ is that of the need to
remove the barriers to collective learning: removing, for example, people’s personal defensiveness, their animosity towards one another, the hostility between different groups within the organization, and so on. The question then arises as to how do we make this happen? Is it, indeed, possible to negotiate a way through a potential minefield of office politics, of personal agendas and insecurities, of deeply ingrained conflicts that might stand in the way of creating an organization that learns? It is in this connection that emotional intelligence links most closely to the ideas relating to the learning organization, and, accordingly, has a great deal to offer the practitioner.

**Emotional Intelligence**

Emotional intelligence can be understood both as a diagnostic tool and a set of guiding principles, which the practitioner can employ to address the central concern of overcoming the barriers to collective learning. From an emotional intelligence perspective, it is the ‘emotional climate’ of an organization that is likely to be the most important factor in determining its success in becoming a learning organization, and, ultimately, to be the key to its long-term survival. The emotional climate deeply affects organizational dynamics such as idea-generation and creativity, readiness and adaptability to change, and facilitation of learning processes. Hence it influences performance, both individual and organizational. There are strong signs that suggest the future of all corporate life: a tomorrow where the basic skills of emotional intelligence will be ever more important, in teamwork, in co-operation, in helping people to learn together how to work more effectively. As knowledge based services and intellectual capital become more central to corporations, improving the way people work together will be a major way to leverage intellectual capital, making a critical competitive difference. To thrive, if not survive, corporations would do well to boost their collective emotional intelligence.

Both the concept of the learning organization and the ideas relating to emotional intelligence can, therefore, be understood to be related to a kind of neo-human relations movement in the academic and practitioner literature: an increasingly pervasive trend which stresses the importance of human relationships—and the knowledge and innovations embedded within these—as sources of competitive advantage.

**The Fifth Discipline, Peter Senge**

In his book *The Fifth Discipline*, Peter Senge (1990) defined a learning organization as “… a place where people continually expand their capacity to create 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”. Peter Senge, in particular, posits the radically humanist idea that organizations should become places where people can begin to realize their highest aspirations. He talks of developing worker commitment not compliance; of building shared visions, not imposing a mission statement from above; of effectively reconciling individual and organizational objectives. Senge (1992) described the core of a learning organization’s work as based upon five learning disciplines, which represented lifelong programs of both personal and organizational learning and practice. These include:

**Personal Mastery** — Personal mastery is what Peter Senge describes as one of the core disciplines needed to build a learning organization. Personal mastery applies to individual learning, and Senge says that organizations cannot learn until their members begin to learn. Personal Mastery has two components. First, one must define what one is trying to achieve (a goal). Second, one must have a true measure of how close one is to the goal.
Individuals who practice personal mastery experience other changes in their thinking. They learn to use both reason and intuition to create. They become systems thinkers who see the interconnectedness of everything around them and, as a result, they feel more connected to the whole. It is exactly this type of individual that one needs at every level of an organization for the organization to learn. (Senge, 1990) Traditional managers have always thought that they had to have all the answers for their organization. The managers of the learning organization know that their staff has the answers. The job of the manager in the learning organization is to be the teacher or coach who helps unleash the creative energy in each individual. Organizations learn through the synergy of the individual learners.

**Mental Models** — A mental model is one's way of looking at the world. It involves each individual reflecting upon, continually clarifying, and improving his or her internal pictures of the world, and seeing how they shape personal actions and decisions. It is a framework for the cognitive processes of our mind. In other words, it determines how we think and act. A simple example of a mental model comes from an exercise described in *The Fifth Discipline Fieldbook*. Learning only comes from seeing the world the way it really is.

**Shared Vision** — What does it mean to have a shared vision? A shared vision begins with the individual, and an individual vision is something that one person holds as a truth. It means individuals building a sense of commitment within particular workgroups, developing shared images of common and desirable futures, and the principles and guiding practices to support the journey to such futures.

The shared vision of an organization must be built of the individual visions of its members. What this means for the leader in the Learning Organization is that the organizational vision must not be created by the leader, rather, the vision must be created through interaction with the individuals in the organization. Only by compromising between the individual visions and the development of these visions in a common direction can the shared vision be created. The leader's role in creating a shared vision is to share one's own vision with the employees. This should not be done to force that vision on others, but rather to encourage others to share their vision too. Based on these visions, the organization's vision should evolve.

It would be naive to expect that the organization can change overnight from having a vision that is communicated from the top to an organization where the vision evolves from the visions of all the people in the organization. The organization will have to go through major change for this to happen, and this is where OD can play a role. In the development of a learning organization, the OD-consultant would use the same tools as before, just on a much broader scale.

**Team Learning** — this involves relevant thinking skills that enable groups of people to develop intelligence and an ability that is greater than the sum of individual members' talents. It is a discipline that starts with "dialogue," the capacity of members of a team to suspend assumptions and enter into a genuine "thinking together." Team learning is vital because teams, not individuals, are the fundamental learning unit in modern organizations.

**Systems Thinking** — this involves a way of thinking about, and a language for describing and understanding forces and interrelationships that shape the behavior of systems. It is a paradigm premised upon the primacy of the whole --the antithesis of the traditional evolution of the concept of learning in western cultures This discipline helps managers and employees alike to see how to change systems more effectively, and to act more in tune with the larger processes of the natural and economic world.
Once we embrace the idea that systems thinking can improve individual learning by inducing people to focus on the whole system, and by providing individuals with skills and tools to enable them to derive observable patterns of behavior from the systems they see at work, the next step is to justify why systems thinking is even more important to organizations of people. Here, the discipline of systems thinking is most clearly interrelated with the other disciplines, especially with mental models, shared vision, and team learning.

In his prominent book, *The Fifth Discipline*, Senge identified some learning disabilities associated with the failure to think systemically. He classified them under the following headings:

- "I am my position"
- "The enemy is out there"
- "The illusion of taking charge"
- "The fixation on events"
- "The parable of the boiled frog"
- "The delusion of learning from experience"

**Table 1: Eight Characteristics of the Traditional Organisation Versus the Learning Organization**

<table>
<thead>
<tr>
<th>Element</th>
<th>Traditional Organization</th>
<th>Learning Organization</th>
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<tbody>
<tr>
<td>Shared Values</td>
<td>Efficiency</td>
<td>Excellence</td>
</tr>
<tr>
<td></td>
<td>Effectiveness</td>
<td>Organizational Renewal</td>
</tr>
<tr>
<td>Management Style</td>
<td>Control</td>
<td>Facilitator</td>
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<td></td>
<td></td>
<td>Coach</td>
</tr>
<tr>
<td>Strategy/Action Plan</td>
<td>Top down approach</td>
<td>Everyone is consulted</td>
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<tr>
<td></td>
<td>Road map</td>
<td>Learning map</td>
</tr>
<tr>
<td>Structure</td>
<td>Hierarchy</td>
<td>Flat structure</td>
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<tr>
<td></td>
<td></td>
<td>Dynamic networks</td>
</tr>
<tr>
<td>Staff Characteristics</td>
<td>People who know (experts)</td>
<td>People who learn</td>
</tr>
<tr>
<td></td>
<td>Knowledge is power</td>
<td>Mistakes tolerated as part of learning</td>
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<tr>
<td>Distinctive Staff Skills</td>
<td>Adaptive learning</td>
<td>Generative learning</td>
</tr>
<tr>
<td>Measurement System</td>
<td>Financial measures</td>
<td>Both financial and non-financial measures</td>
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<tr>
<td>Teams</td>
<td>Working groups</td>
<td>Cross functional teams</td>
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<td></td>
<td>Departmental boundaries</td>
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The concept of a learning organization is an idealized model of coping with organizational change (Starkey 1996; Redding 1997). This approach “engages employees' hearts and minds in a continuous, harmonious, productive change, designed to achieve results they genuinely care about, and that the organizations stakeholders want” (Nayak, Garvin, Maira & Bragar 1995). The process of building a learning organization unleashes individual creativity, and fosters collective learning, which is crucial for encouraging, and developing innovation and rapid responsiveness to global competition (Millett 1998). In short, a learning organization is continually getting ‘smarter’ because learning is planned, systematic and in alignment with the organization's strategic goals.

In order to get smarter, the organization needs to capture its organizational knowledge. Prahalad and Hamel (1990) have described the process of how organizations learn, and identify the outcomes of the process as the development of core competencies, which are ‘… the
collective learning in the organization’ (p. 82). This occurs at all levels and functions within the organization. On the surface, developing core competencies has an intuitive appeal, but it is an extremely difficult process to maintain and manage, particularly as the organization changes and adapts to its environment.

### Characteristics of a Learning Organization

<table>
<thead>
<tr>
<th>Element</th>
<th>Characteristics of a learning Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Structure</td>
<td>Flat hierarchy, decentralized, Dynamic networks</td>
</tr>
<tr>
<td>Availability of information</td>
<td>Systems in place to make information freely available</td>
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<tr>
<td>Trust culture</td>
<td>High level of trust, <em>Self mastery</em> practiced</td>
</tr>
<tr>
<td>Communication</td>
<td>Decentralized communication processes</td>
</tr>
<tr>
<td>Innovation</td>
<td>Innovation and risk taking encouraged</td>
</tr>
<tr>
<td>Managers style</td>
<td>Facilitator, Coaching style</td>
</tr>
<tr>
<td>Learning systems</td>
<td>Continual learning and double loop learning</td>
</tr>
</tbody>
</table>

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

### Criteria

1) **Adopt a learning approach to strategy**, focuses on the learning process, which implies listening to different opinions (from peers, customers, controllers, etc.) and an overall attitude of openness. A key ingredient of this criterion is in how banks process their managerial experiences. Learning Organizations/Managers learn from their experiences rather than being bound by their past experiences.

2) **Participative policy-making** focuses on the actors/stakeholders who are involved in organizational policy-making processes and on the nature of the relationships characterizing such a process. The movement has to come from the bottom-up with understanding and shared purpose.

3) **Access and transparency of information**, focuses on the mechanisms which generate participation and support empowerment within an organization, allowing knowledge sharing and the access to knowledge bases and to information. The criterion basically focuses on *informing* and *empowering*. These can be done by making information as widely available as possible; by using information systems to help employees to understand the content of the data, which must be accurate, complete, representative, updated. In this case, new information systems may be needed to make better data available and to disseminate it. The information systems are an information infrastructure that enables information flows, including networked connections between internal
systems and access to external networks and databases. They are likely to be “early adopters” of important learning enabling technologies, such as groupware, computer conferencing, video conferencing, Internet exploration, and multimedia. They have systems integrating knowledge, essential aspect of making efficient connections between information, and more importantly knowledge. In conjunction with HR departments, the information systems play a key part in the management of information and knowledge resources and they can represent one of the “access doors”11 of a Learning Organization approach. Providing the systems and processes for the management of knowledge and flow of information is a crucial and underrated aspect of the Learning Organization.

4) **Formative accounting** focuses on the formative processes through which control procedures take place and their results are then discussed between the controlling actor and the controlled one, with the aim to generate improvement and learning. Formative approaches should be shared on an organizational level and become part of the overall procedural schemes. The accounting, budgeting and reporting systems have to be set up so they assist learning and give added value.

5) **Internal exchange and dialogue**, focuses on the horizontal processes taking place among units. In other words, it focuses on the functions and responsibilities as they are articulated within the organization and on the relevant communication flows.

6) **Reward flexibility**, focuses on a special kind of flexibility, which is strictly linked to the capacity to successfully adapt to changes and to generate innovation. The assessment of flexibility goes beyond the assessment of individual productivity in traditional terms and poses interesting questions concerning what the company considers rewardable or to be rewarded. In other words, it is relevant to see what is the organizational culture affecting the internal reward system. It is important to see if reward and recognition systems are in place - processes and systems that recognize acquisition of new skills, teamwork as well as individual effort, celebrate successes and accomplishments, and encourages continuous personal development. The employees expect reward for their training or developments - they have put effort in, become more skilled - expect greater reward. This reward might be either extrinsic (promotion, increase in pay) or intrinsic (greater fulfillment through a more demanding or higher-status job). In the same time, it must be highlighted that there is a risk in linking reward systems with opportunities for learning and personal development, which may eventually make employees behave in a Pavlov-like way.

7) **Inter-company learning**, focuses on the fact that organizations start a praxis in creating opportunities of dialogue with other organizations. Within this criterion, the following indicators could be proposed: investigations of the company’s climate; use of “suggestion boxes”; set up of an “Exchange forum”; use of tools and methodologies to “socialize” knowledge; sharing of self-development plans with the “boss”; detection of employees’ perception of autonomy, responsibility and empowerment.

8) **Self-development**, focuses on the possibility to access learning opportunities and to start personalized development processes. This criterion could be related to Senge’s discipline of personal mastery and with Stewart’s requirement of individuals committed to self-development. The problem here consists in who owns the learning, the employees or the employers, and the uses to which the new learning will be put.

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**Learning Pyramid of Honey & Mumford**

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This model shows clearly that individual learning and/or self-development must underpin the learning organization. We should take into account the useful distinction made by Craig Lundberg between *Organizational Learning* by which we typically mean learning by individual and groups in the organization vs. the *Learning Organization* by which we mean learning by the organization as a total system. Organizations are not merely collections of individuals, yet there are no organizations without such collections. Similarly organizational learning is not merely individual learning, yet organizations learn only through the experience and learning of individuals. It is clear that a major challenge is that of transforming or transferring individual learning into organizational learning. Learning should take account of the creation and diffusion of knowledge at various levels: the team, departments, plants, and organizations. We should also underline the fact that a learning organization is not about “more training”. While training helps developing certain types of skill, a Learning Organization involves the development of higher levels of knowledge and skills.

**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 should be avoided in our case:

- operational/fire fighting preoccupation - not creating time to sit back and think strategically
- too focused on systems and process (e.g. ISO9000) to 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, he gives it (the organization, that is) an existence in and of itself, an 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 implicitly 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.

The voluntarism (i.e. that we can create the conditions of our own actions; that we can create reality) might lead the practitioner towards believing that a mere act of will is enough to change fundamentally the ‘organization’, and, moreover might lead the practitioner to neglect how factors external to the organization which are outside of the practitioner’s control, nonetheless, profoundly influence the direction of organizational change. As has been extensively documented within the social sciences, factors such as gender, social class and ethnicity can greatly impede learning in the workplace. Organizations involve highly complex processes of change. The direction of change within, say a business organization is influenced by much broader processes at the national and global level, by changes in the market, by the complex interplay of formal and informal relationships between people at all levels of its workforce, etc. While it may be possible to steer the overall direction of change that an organization undergoes, it is rather misleading to propose that one could, by act of will, ‘think an alternative organizational reality into existence’.

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.

Implications for HRD Practice

In the past few years, society and the economic sector have been experiencing a rapid and deep evolution, which has implied the introduction of significant structural and organizational changes. Enterprises and public administrations have been changing their structures and organizations in order to respond quickly and adequately to modifications in their environment - an increasingly global and competitive market - by improving existing products and services or by introducing innovation.

Human Resources’ new roles and competencies, emerging as a natural evolution of the dynamic environment, appear to be crucial since they represent important assets for the organizations in order to obtain a competitive advantage at a national and/or international level, as well as to successfully perform in the market. Organizations also need to internally diffuse common values and most of all a common culture to create an organizational environment oriented to excellence.

In the framework of such an adaptation process to environmental stimuli, organizations are constantly concerned with the development of their human resources’ competencies. As a consequence, the Training and Development functions specifically aim at the complete growth of the workforce, through the creation of tailored, continuous, and upgradeable training paths. The incorporation of such approach to training and development fosters the improvement of organizational activities for organizational learning.

There are many interrelated reasons for this surge of interest in learning:
1) Changes are bigger and are happening faster. Learning is the way to keep ahead
2) Jobs for life have gone. Learning is the way to develop and maintain employability

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3) Global competition is increasing. Learning is the way to sustain a competitive edge.

4) Increasing emphasis is being placed on the need for individuals to take responsibility for their life and work. Learning is the path to increased responsibilities.

5) Learning to learn is being increasingly acknowledged as the ultimate life skill.

From the discussion presented above, one can conclude that advocates of the position are not simply proposing that learning organizations are those which are simply ‘doing lots of training’ or are ‘engaging in a lot of employee development’. It will very much depend upon the character and content of that training and development: whether it leads to real, generative learning, whether it helps both ‘organizations’ and ‘individuals’ simultaneously to move closer to realizing their highest aspirations, etc. Indeed, advocates of the learning organization are keen to shift emphasis away from ‘training’ and ‘development’ per se towards a more direct engagement with learning itself.

The implications of this position, if taken to its logical conclusion, are that our whole understanding of what HRD means and entails must change. It would follow that training and development might take the form of ‘learningful conversations’, of ‘group dialogues’. The work of the trainer or human resource manager might become more centrally concerned with aiming to eradicate the boundaries to ‘group learning’ (in as far as this might be possible); to ‘marry up’ organizational and individual aspirations; to elucidate and to resolve ‘deeply’ held conflicts, perhaps those residing in our ‘mental models’. In short, the work of the practitioner would be continuously to manage, to organize and to balance the relationships between employees so as to best facilitate generative learning. Furthermore, there is the need for practitioners to discover their own organizational systems, and to make these actively clear to members of the organization in such a way that people are able to see the consequences of their actions. He is thus pointing towards the need for practitioners to expand ‘learning horizons’: perhaps even to make people more accountable for their actions.

Getting a Grip on the Learning Organization

Of course, there is not yet a consensus on the definition of a learning organization. Any type of organization can be learning organization-businesses, educational institutions, nonprofits, and community groups. Some authors agree that LOs start with the assumptions that learning is valuable, continuous, and most effective when shared and that every experience is an opportunity to learn.

Of course, in a sense "organizations" do not learn, the people in them do, and individual learning may go on all the time. What is different about a learning organization is that it promotes a culture of learning, a community of learners, and it ensures that individual learning enriches and enhances the organization as a whole. There can be no organizational learning without individual learning, but individual learning must be shared and used by the organization. The familiar litany of challenges and changes-global competition, technological advances, quality improvement, knowledge work, demographic diversity, changing social structures-is driving organizations to adapt and change. "The ability to learn faster than your competitors may be the only sustainable competitive advantage"

The Learning Organization: Is anybody out there?

In theory, the learning organization concept is appealing. However, everyone is talking about it but few are living it. Nevertheless, examples can be found of LO principles in practice in the workplace. Johnsonville Foods in Sheboygan, Wisconsin, appears to have been a Learning Organization long before the label was coined. In the early 1980s, the sausage manufacturer...
implemented several programs based on the notion of using the business to build great people; that way, the organization cannot help but succeed. These programs included:

1. **Personnel development fund**—each employee is given $100 per year for any learning activity;
2. **Member interaction program**—employees (members) spend time "shadowing" other workers to learn how their jobs and those of others fit into the whole;
3. **Resource center**;
4. **Personal Responsibility in Developing Excellence (PRIDE) teams** investigate quality of work life issues; and
5. **Company performance share**—profit sharing is based on evaluation of individual and team performance as well as personal growth and development.

According to company officials, profits and productivity are up, absenteeism and turnover down, and morale is high.

Several businesses are mentioned often in the literature as practicing Learning Organization principles, such as Harley-Davidson, Motorola, Corning, AT&T, and Fed Ex. Ford's Lincoln Continental division broke product development records, lowered quality defects, and saved millions. At Chaparral Steel, 80% of the work force is in some form of educational enhancement at any time. They now produce a ton of steel in 1.5 employee hours, compared to the national average of 6.

The Learning Organization concept is not confined to established, permanent institution, it can be applied to an ad hoc organization.

**Bridging the Gap**

What barriers prevent the learning organization from becoming a reality? "One of the barriers to the successful creation of generative learning organizations is the lack of effective leaders". The learning organization requires a fundamental rethinking of leadership. Leaders become designers, teachers, and stewards of the collective vision. Managers must change the belief that only they can make decisions, and employees must change the belief that they don't have to think on the job. Leadership in a Learning Organization is the ability to coach and teach; it is not exclusive, authoritative, or assumed, but learned and earned. "Effective leadership may emerge anywhere true learning is taking place". Inquiry and dialogue can be threatening; people are typically not rewarded for asking tough questions or identifying complex problems. Other barriers include the inability to recognize and change existing mental models, learned helplessness, tunnel vision, truncated learning (incomplete transfer of past learning), individualism, and a culture of disrespect and fear. They assert that a learning organization cannot be created in an atmosphere of layoffs, downsizing, "retirement on the job," and a part-time, overtaxed, temporary work force.

**Conclusion**

It seems that the concept of the learning organization is clear enough to some to be putting it into practice; to others, it is fuzzy and amorphous and needs critical attention. However, useful insights can still be drawn from theory and practice. The learning organization is best thought of as a journey, not a destination (P. West 1994), a philosophy, not a program (Solomon 1994). Few would argue that bureaucracy, Taylor’s, or passive learning are the best ways to work and learn in the world today. The Learning Organization has a lot to offer to the reform and restructuring of organizations, but building one is clearly an enormous task. However, one can begin with the attitude that learning is "a sustainable resource, not a limited commodity" (May 1994, p. 53) and work on developing the mindset of a culture of learning. It must be recognized that the visioning process is ongoing, not a one-time event (O'Neil 1995).