

# **ORGANIZATIONAL LEARNING**

## **A MINI-TUTORIAL**

By Doreen Warren

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For Dr. Foster

## **ORGANIZATIONAL LEARNING**

Organizational Learning is a process to enable organizations to better use the knowledge of their members to make business decisions. In a conventional organization, decisions are often based on management perspective without taking into account the other members of the organization. A business using Organizational Learning recognizes the value added by including all of its members in the decision making process.

Organizational Learning has developed into a methodology by which businesses facilitate collaboration within the organization to concentrate on continuous improvement. Organizations that adopt this philosophy are referred to as “Learning Organizations.” A Learning Organization recognizes that a business consists of people and it takes a commitment from all in the organization to best obtain the organization’s goals. Through Organizational Learning an organization gains knowledge and develops skills to empower its members to work as a cohesive team. The following table identifies some of the key differences between a Conventional Organization and a Learning Organization.

<b>Conventional Organization</b>	<b>Learning Organization</b>
Locked into management’s views of methods and goals.	Flexible and open to new ideas.
Makes decisions based on what currently best fits the organizational structure.	1. Willing to disregard the status quo in favor of innovation. 2. Management encourages all members to continuously rethink what they do, how they do it, and how they might do it better.
Adapts and/or reacts to change.	Anticipates the future and strives to create services and products before others are able to perceive the needs.

## **IMPLEMENTING ORGANIZATIONAL LEARNING**

The first step in implementing Organizational Learning is to encourage all members of an organization to continually learn by rewarding the members for increasing competence. An understanding of how people learn is key to implementing an effective system. Adaptive learning describes the learning process that is reactive to change and is based on rules and structure. In contrast, proactive learning goes beyond being reactive and occurs when changes are made willingly. Implementation of Organizational Learning requires that there be incentives to encourage proactive learning.

The second step in implementing Organizational Learning is to implement Team Learning where people are willing and able to work together to build new mindsets and transfer knowledge throughout the organization.

In the third step, Organizational Learning requires that the organization use the increased knowledge to create new market opportunities.

According to David Garvin, Cizik Professor of Business Administration at Harvard Business School, developing Organizational Learning requires creating, acquiring, transferring, and retaining knowledge and modifying current behavior to increase efficiency.

Knowledge is found in many sources within and outside an organization. People working in the organization understand the day-to-day requirements and have the knowledge base needed to assist managers when trying to resolve issues. Tapping into the people resource along with the manager's ability to recognize and interpret knowledge is critical. It is also important for the knowledge transfer to occur when people leave the organization so that the knowledge is retained and not lost.

It is not enough to have knowledge. Behavior must be modified within the organization to make it efficient. Managers must be willing and able to solicit and use the information relayed to them by employees. All members of the organization must become part of the decision making team.

Peter Senge, director of the Center for Organizational Learning at the Sloan School of Management, Massachusetts Institute of Technology, has identified five disciplines crucial to the successful implementation of Organizational Learning and creating a Learning Organization:

1. **Personal Mastery** – Managers must go beyond knowing what is important to achieve, they must have the ability to clarify and relay their message to others within the organization.
2. **Shared Visioning** – Managers who share their vision with others in the organization are more likely to get feedback on the vision. A shared vision is more likely to receive commitment from the people needed to implement the goals set by management. If people feel they have been involved in the process they are more likely to be committed to the entire process.
3. **Mental Modeling** – Managers must be able to explain the reasoning behind decisions made, while being open to suggestions from others and being able to handle criticism without being defensive or judgmental.
4. **Team Learning** – Managers should be able to align and develop the capacity of the team members in order to obtain the team's desired results. Team learning builds shared vision and personal mastery because a talented team will consist of talented individuals.

5. **Systems Thinking** – Managers need to look at issues as they interrelate with other processes within the organization.

### **AN EXAMPLE**

Boeing provides an example where a company used the learning process to avoid bankruptcy by using Lessons Learned analysis to solve the problems with the production of the 737 and 747. By comparing successful projects with the failed production of the 737 and 747, they were able to adjust their projects for the successful production of the 757 and 767.

### **WHERE TO FIND MORE INFORMATION**

Information on Organizational Learning is available through many sources on the Internet as well as in literature. Some notable experts in the field include: Chris Argyris and Donald Schon, authors of *Organizational Learning: A Theory of Action Perspective*; and Peter Senge, the author of *The Fifth Discipline, The Leader's New Work: Building Learning Organizations*. Degrees in Organization Learning are also available through many institutions including Sloan School of Management and George Mason University.

### **REFERENCES**

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