

PERFORMANCE THROUGH LEARNING ORGANISATION

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ABSTRACT

Human resource management is the most interdisciplinary, dynamic and evolving field of study that has new patterns emerging from Art and science of manager's capabilities and potential.

Dynamism as the word refers to the drastic changes in thinking and planning ultimately changing the final execution directly comprehends the idea and meaning of paradigm shift.

The motive of a learning organization is to survive in the rapidly changing environment by creating a culture that promotes employee learning by experiences, experiment, risk taking and contributions.

The purpose of this paper is to highlight how a leap towards Learning organization not only fulfills the idea of paradigm shift but also increases performance and sustainability in an organization.

Keywords: Learning organisation

INTRODUCTION

The ever going state of learning helps to discover new methods and helps to achieve new benchmarking initiatives by driving and improving performance of the company. In today's dynamic environment importance of adaptive and learning organizations have increased in a significant manner, in the absence of such organizational learning amongst individuals, groups or organization as a whole not only puts a halt on the performance of the system but also restricts the growth and contribution of knowledge economy.

OBJECTIVES

This paper attempts to elaborate and explore many aspects of learning organizations. The following objectives have been included in this study:

1. To study the concept of learning organizations and their evolution over the years.
2. To establish that today generative learning is critical to sustainability in organizations

LITERATURE REVIEW

The man who brought the concept of learning organizations in the limelight, Peter Senge, mentioned "Learning organizations are organizations 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 1990: 3)

A learning organization is an ideal towards which organizations have to evolve in order to be able to respond to the numerous changes occurring continuously in the environment. For an organization to aspire to move towards the learning ideal there has to be recognition of the fact that individual and collective learning are the key to success.

The main features that set a learning organization apart from others are

- It constantly provides new learning opportunities to its members and encourages them to think out-of-the-box.
- It makes use of the innovative ideas generated by its members in achieving its short and long term goals. When employees see the implementation of their ideas and suggestions, it acts as a further incentive to them for future learning.
- Encourage employees to question the existing regime and processes and make it safe for them to say so openly. Taking risks and making mistakes are fostered to provide an enabling environment for nurturing a learning organization.
- Continuous monitoring and feedback with the external environment is a necessary prerequisite.

Crossan, Lane, & White (1999) model of organizational learning as a dynamic model illustrates that learning takes place at three levels – individual, group and organizational. Learning progress from individual to group and finally to organisational level. The model depicts four steps in learning –

- Intuiting where an intervention, system, structure, procedure or strategy is designed or invented based on an individual’s gut feeling or intuition supported by an insight into the concept.
- Interpreting where the new intervention is realised by involving the functioning of the group. It requires shared understanding and mutual adjustment.
- Integrating is the step where the learning from above is made a part of the other processes and procedures followed by the organization so that it forms a unified whole.
- Institutionalizing is the final step where all learning is made an inherent part of the organizational culture and climate. It is ingrained in the DNA of the organization.
- All these steps are interconnected and a part of a continuous process.

Learning organization helps in increasing Performance standards:

“Organizational learning means the process of improving actions through better knowledge and understanding.” (C. Marlene Fiol & Margorie A. Lyles, 1985). As this definition illustrates organizational learning leads to deeper understanding, enhanced knowledge (that is not only theoretical but also practical and pragmatic) and hence contributes to improved actions. In the absence of learning, organizations and individuals duplicate past practices whilst any kind of change remains cosmetic, and restricted to the surface only. Any progress

is either short lived or delinked from the organization's growth path. Employees become more confident of taking risks and trying out newer ways of solving problems. Learning organizations enhance the employability of its employees. They also realize the effectiveness of working together towards the organizational goals.

Case study illustrating the crucial role of organizational learning:

Heaven's Gate BV is a rich, 60 year old production organization in Netherlands chemical industry. The demand for its products exceeded its supply so much so that products were distributed rather than sold. The management though paternalistic was considered to be ideal which everyone looked forward to joining. It provided its employees with job security, benefits and good pay along with a lot of autonomy and excellent work ambience. In the culture of HGBV the most primordial were the unwritten rules for social behavior –the HGBV way. One was supposed to fit into the informal network, and this was applicable for all hierarchical levels. 'Fitting' meant avoiding conflicts and direct confrontations, covering other people's mistakes; loyalty, friendliness, modesty and good-natured cooperation. None of the colleagues could grumble about their fellow colleagues. Newcomers were quickly accepted, provided they adapted themselves to the cultural environment of the company. The quality of their work counted less than their level of social adaptation. Whoever disrupted the harmony was straightaway rejected, however good or bad the employee was. Careers in HGBV were made primarily on the social skills.

However when market conditions changed, HGBV found itself in an unfamiliar competitive situation with other European suppliers. Costs had to be cut, and manpower had to be reduced as well. In the HGBV tradition, this problem was resolved without collective layoffs, through early retirement. Secondly, and even more seriously, HGBV was attacked by environmentalists because of the pollution it caused. Its management tried to counteract with an active lobby with the authorities, with a press campaign and through organizing public visits to the company. Attempts were also made to increase the organization's competitiveness through quality improvement and product diversification. They also entailed the introduction of new people from outside. These new trends, however, collided head-on with HGBV's traditional culture.

The organization started going downhill due to its adherence to a strong culture and reluctance to compromise with it. A sociable culture fosters team work, creativity, information sharing and openness to new ideas but on the flip side, it could also lead to compromise which is certainly not the best possible remedy for a problematic situation. Firms need to be aware of the actions of their competitors. They need to anticipate and act in response to changing customer needs. They also need to have room for the changing values and needs of their work forces as well as be sensitive to changing societal values such as increased awareness of environmental pollution.

HGBV should have given importance to the quality of work of its employees along with their informal networking skills. It became an isolated system that became an end in itself. The employees became complacent and the learning at all three levels i.e. individual, group and organization came to a virtual standstill. Ultimately HGBV had to compromise with its 'traditional culture' that it took a lot of pride in; otherwise the survival of the company was in question. Therefore a company cannot remain glued to a monolithic culture in a demanding situation. In changing environments, strong cultures can become obsolete, difficult to change and an obstacle inhibiting necessary organizational transformation. This

case study clearly illustrates the necessity of organizations to gravitate towards constant learning for sheer survival. An organization has to be in constant and frequent touch with its various internal and external subsystems otherwise dire circumstances will eventually follow.

FINDINGS

The descriptive study above has thrown light on the following points:

Learning organizations is a philosophy and a management model that supports organizations and leads them to a sustainable quest for continuous and continual journey towards innovation and evolution. Learning organizations have a culture that enables them to be on the fore front of technological, human, economic, social and political changes. The organizations that follow this philosophy can be assured to be successful not only in the present but in the future as well.

Learning organizations provide a framework to achieve their ideal form. On following the framework and guidelines, an organization is strengthened from within, its employees are enabled and its processes are polished so much so that the overall performance increases. This performance increase is in terms of standards expected and performance delivered both. As a result the enhancement in the quality of product, process & people is never ending and sustainable.

In the future, there will come a time that any organization not following the learning organization philosophy will find itself not in the competition. This is so because the business environment is becoming more and more volatile and dynamic. Organizations have to be on their toes and cannot afford to rest on their laurels, The company considered too big to fail that failed to perceive the changes in the environment & opened the Pandora's box of recession in American economy (Lehman Brothers).

The findings here clearly establish that learning organizations increase performance, generate sustainability in both the short and the long term and finally in future no organization can afford to ignore them. Hence this philosophy and management model has to be adopted and adapted by all.

CONCLUSION

In today's competitive era of business world there has been a cut throat competition amongst organizations which has resulted in the need to think out of box than the usual traditional methods of HR practices.

One such approach is creating a Learning organization by implementing empirical, experimental and rational ways of inducing knowledge which helps in increasing & sustaining the performance of the individuals, groups, organization as a whole and helps in inducing a component for behavioral flexibility which can adjust their behavior to valuable decisions in an unfamiliar and uncertain business scenario.

Paradigm shift helps to curb these rigid traits that are unseen by the executive which can be rectified by the help of creating a Learning Organization.

The emergence of Learning Organization as a paradigm shift has created more value added responsibility and has laid emphasis on need to integrate HR practices in a new way placing organizational performance on utmost priority than individual performance. This approach is

in congruence with the strategic HR practices that enables an organization to achieve sustained competitive advantage.

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