

Available online at www.sciencedirect.com

ScienceDirect

Procedia - Social and Behavioral Sciences 230 (2016) 219 – 225

Procedia
Social and Behavioral Sciences

3rd International Conference on New Challenges in Management and Organization: Organization and Leadership, 2 May 2016, Dubai, UAE

Organizational Learning as a Key Role of Organizational Success

Vajiheh Saadat^{a,*}, Zeynab Saadat^b

^a M.A in public management- human resources, Central Tehran Branch, Islamic Azad University, Tehran, Iran

^b M.A student in training management, Imam Hossein University, Tehran, Iran

Abstract

Knowledge is a critical source for various organizations in recent years within competitive context of business. Organizational learning as a strategic tool has been proposed in the field of modern management for gaining competitive advantage and stabilizing organizational success. The aim of learning is not only enhancing employee's knowledge and skills but also developing and growth of the organization and building flexible dynamic learning organization. Given the strategic role of organizational learning in establishing knowledge management and promoting the main goals of organization, the present paper attempted to review the representative literature pertinent to learning, organizational learning, its main objectives, barriers, and benefits. Finally, this study presented a new perspective to today's organizational managers to enhance their organizations' efficiency.

© 2016 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Ardabil Industrial Management Institute

Keywords: organization; learning; organizational learning

1. Introduction

In the third millennium, which is called the science era, science and learning are not observed as a commercial gesture for managers or/and a trendy word anymore, but continuous developing of leaning programs in all the organization levels has been changed to the profound anxiety of management. Today's managers, in an extensive try to achieve a constant development and production, has fairly found that financial sources and technology cannot be relied on purely anymore and improvement and development should be searched in humans' brains and thoughts. Management intelligentsia believes "organizational science should be observed as a strategic property in an organization and it should be managed in a way that it can improve competitive situation and performance of the

* Corresponding author. Tel.:

E-mail address: va.saadat15@yahoo.com

organization” (Allameh & Moghaddami, 2000). Hence, in modern organizational approaches, the necessity of organizational learning and the evolution of an organization by means of the learning organization’s doctrine have been explained among main supplies for more performance and efficiency of the staff and finally of the organization.

2. Definition and Concept of Learning

All persons are born with the ability of learning, and this learning makes them ready to adapt to changes and growth of environment. Learning leads to new intuitions and concepts in human, and it often happens that we are affected by actions, and identify and correct mistakes (Argyris & Schon, 1978). Kolb(1984) : Learning is a process through which science is created by the change in experience (Gholipoor, 2010).

Altogether, it can be said that learning means making useful concepts either individually or multiplexed.

3. Definition and concept of organizational learning

In spite of diverse researches on conceptualizing, management, development and using organizational learning, a general agreement on concept, definition and the theory of organizational learning has not been made yet. Lack of experts’ agreement in this area can be because of the following reasons: First, because organizational learning is multidisciplinary, the experts of the fields like sociology, psychology, management and industrial economy, each according to their field, have developed relevant theories and concepts of organizational learning (Yeung, Ulrich, Nason Stephen, & Von Glinow, 1999). Second, using organizational learning in various fields like information processing, product innovation, organizational change, organizational culture and strategy implementation has made concept variety in organizational learning (Crossan, Lane, & White, 1999). Third, the multilevel analysis of the learning concept from the individual level to organizational makes this variety (Templeton, Lewis, & Snyder, 2002).

Some definitions of this strategic concept are as follow:

- Organizational learning explains the development capability of thought and productivity, through commitment to which for continuous improvement in the organization, is obtained (Marquardt, 2002).
- Garcia Moralez et al, define organizational learning an organizational capability to keep and improve the performance based on the previous experiences and know this capability an ability of achieving and productivity from vivid and implicit science to sharing science and using science in the organization (Crossan, Lane, & White, 1999).
- Chris Argyris (1977) interpreted organizational learning as a process of discovering and correcting mistakes (Malek-poor Gol Sefidi, 2006).
- Organizational learning consists of all the methods, mechanisms and processes which are used in an organization in order to achieve learning (Mayo, 1994).
- Organizational learning is the process of finding errors and mistakes, and resolving and correcting them. It is a process, which happens by achieving science and improving the performance during the time (Alvani, 2008).

4. Organizational Learning Importance and Necessity

Organizational learning has been discussed for about half a century and it is growing increasingly now. Since plentiful changes and challenges of the present world require that an organization form by power of learning and updating itself to be able to synchronize itself to quick evolutions, answer environmental stimuli, and survive by achieving science and knowledge in organizational optimizing and developing in a widespread, dynamic and live way. Organizational learning, also, is one of the vital sources in order to achieve competitive advantage in strategic management (Allameh & Moghaddami, 2010). In order to survive in the competition, organizations are more successful, which learn sooner, faster, and better than their competitors do.

Today, traditional structures do not have necessary ability and inflection for alignment with fast environmental changes and in order to survive, they have to change their structure or equip themselves with tools to achieve the

ability to counter global changes. One of the most important tools is to characterize the concept of “organizational learning”. In this approach, organizations, instead of their traditional movements and behaviours that in its best situation include education, change to an organization, which always learn.

5. Organizational learning Literature

Kurt and March (1963) introduced organizational learning for the first time. They believed that organizations’ effort to answer the changes of their external environment in order to match organization’s aims with the new conditions, leads to consult to find procedures, which help an organization to achieve more effectiveness.

In spite of the history of organizational learning discussion, this topic did not interest much attention until 1970. Then, some theoreticians started their activities. In the ninth decade of the twentieth century, this topic was born again. Considering the quality of the organization activity and the quality of its learning is a topic to which has been paid attention recently. However, this topic was not known and paid attention before Peter Senge’s famous book. Before Peter Senge’s book, various theoretical concepts was effective in making the concept of organizational learning. Altman and Les (1998) identified four theoretical progresses, which help to form this concept.

The most accessible progress was “strategic management”, which based on the internal procedures of organization, like the human potential talents of the organization could be considered as a competitive advantage for the organization and make the organization more undependable than its environment. The second intellectual procedure, which helped to invent this concept, was theories like “the theory of systems”. The third intellectual procedure of the theory is “social learning”, which deals with a set of concepts on the various levels of learning. Finally, the theoretical procedure, which paid attention to organizational backgrounds, form the forth theoretic base of organizational learning with regard to factors like organizational culture and structure.

The main life cycle of organizational learning has begun since the beginning of the ninth decade of the twentieth century and books such as “the fifth command” by Peter Senge is one of the great aspects for prosperity of this topic in management sciences (Allameh & Moghaddami, 2010).

6. Organizational Learning Characteristics

Organizational learning is a process:

- Complicated: affected by the intercommunication of diverse and manifold intrapersonal, interpersonal, environmental and intra-organizational and inter-organizational factors,
- Unplanned: not codified like educational texts of official terms,
- Alertly and purposeful: interested spaces of learning and improvement are ruled on each persons and groups of organization and people and groups are looking forward to learning, alignment to the organization strategy, curiously and carefully,
- Interaction and dynamic: people, groups and organization play the role of achieving information, experiences, and their learning and transferring to others at one time.
- Continuous and persistent: not limited to a definite time and place, like official educational terms.
- Evolved and growing: the mentioned interaction, dynamism and continuum and special feedback of this process give a fertility characteristic to it,
- Affected by the base of knowledge or cultural sources used by these people: this base can be concepts, structure, social rules and the kind of work division, tools and common technologies among the members of organization or a live society

7. Learning Levels in an Organization

In every organization, learning happens in different levels, like organizational, group and individual levels. Learning in the individual level explains getting a person cumulative or new science and information belonging to his environment, understanding them, interpreting them, doing experiences with them and adjusting his behavior in terms of obtained results using conceptual and cognitive processes. Therefore, intuition and interpretation are an

individual event. An organization cannot have intuition and interpret. People have intuition and interpret. The second level of learning is learning in the group level, which explains people who have learned in the individual learning. They share their learning with the group, interpret together and achieve a group assumption. Here, it is important that people use the process of “communication”. Without group learning, organizational learning cannot be discussed. Organizational learning explains common obtained values and assumption in group level, system, method and acceptable instruction for all the organization, expectant behavioural frames and changing them to informational bases, which are accessible to everyone who needs them. Here, which is important is learning by the meaning of organization (Amir Kabiri, 2006).

8. Kinds of Organizational Learning

Organizational learning points at two things: knowledge of needing various levels of learning and saving science in organizations. Indeed, another important element is that saved science in organizations should be practically used. Experts have divided organizational learning to different kinds some of which are dealt with here:

8.1. *Kinds of organizational learning according to Dawes (2003):*

- Hereditary learning: it points at a science, which has been created by organization founders.
- Experiential learning: it considers a science, which is obtained through experience, which can be obtained on purpose or by chance.
- Vicarious learning: it points at the second hand experience, which has been done by the people out of an organization

8.2. *Kinds of organizational learning according to Argyris and Schon (1978):*

- Monocyclic learning: this kind of learning happens when organization members answer the environment through finding errors and correcting them, indeed this answer to the environmental needs is made by keeping organizational current norms.
- Two-cyclic learning: this kind of learning not only controls current processes, but also includes correcting culture, policies, goals, strategies and organizational structure. Two-cyclic learning includes changing the science base of competences and the common works of organization.
- Three-cyclic learning (twofold): it is based on changing methods and requires people’s conceptual reflection. This kind of learning restarts the reflection element of the learning cycle and leads to a new level of contemplation and creating science. In other words, the result of twofold learning is new finding and new science

8.3. *Kinds of organizational learning according to Marquardt (2002):*

Kinds of organizational learning according to Marquardt are not limit each other and more than one kind of learning in the individual, group and organizational level can happen simultaneously.

- Adaptive learning: it happens when a person, group or organization learn through experience and evaluation (their previous performance). Adaptive learning process with regard to organization is that an organization proceeds to achieve a specified aim, and it leads to some internal and external results. The result is analyzed in terms of congruency with the aim, and the organization does a new action or corrects the previous action based on the result.
- Forward-looking learning: it begins when an organization learns through prospective futures. This approach is to avoid negative results and experiences through identifying the best future opportunities and finding the ways of obtaining them.
- Practical learning: it consists of working on real issues, focusing on the obtained science and real performance of solutions

9. Organizational Learning Process

Each expert of the organization and management has discussed learning from a special point of view and has defined it a kind of process, which includes several stages, some of which are dealt with as follows:

- Daft and Weick (1984): they have defined organizational learning a three-stage process.
 - a. Search and collecting information,
 - b. Interpreting information,
 - c. Learning by practical using of information.
- Nonaka and Takochi (1995) introduce organizational learning organization dominance on the science relevant to its activity domain. According to them, the dominance process on science (organizational learning process) consists of three stages:
 - a. Obtaining science (identifying and collecting useful information),
 - b. Using science (practical use of science),
 - c. Transferring science (distribution and issuance throughout the organization) (Allameh & Moghaddami, 2010).
- Huber (1991) knows organizational learning a process consisting of the followings, which are not successive:
 - a. Identifying scientific needs,
 - b. Trading and issuing science,
 - c. Increasing science to current scientific systems,
 - d. Characterizing science.

Lopez et al, (2005) have introduced organizational learning as a continuous process including obtaining, interpreting science, distributing science and organizational memory, which are taken from Huber's model (1991).

9.1. Effective Elements of Organizational Learning

Most of learning organization models emphasizes the following elements:

- Management and leadership,
- Culture,
- Knowledge, information and communicational systems,
- Organizational structure and systems, which are used for facilitating and instrumenting change, like technology. (the last case has been less emphasized than others) (Masudi Nadushan & Javan Shargh, 2005).

9.2. Facilitating Factors of Organizational Learning

Considering processes and structures help the organizations to facilitate learning. Organizational learning is a product of these two linked and at the same time different concepts. Indeed, it can be analyzed that in organizational learning, processes and in learning organization, structures form the main position. In organizational learning, learning processes are manipulated in order to improve science and organizational and individual understanding, but in a learning organization, an organization plan is emphasized in order to facilitate members' learning and improve the power of team accordance. These concepts are too near because using organizational learning requires a set of characteristics in the organization, which provides performing learning processes and implementation of learning process makes the organization purposeful and learning (Allameh & Moghadami, 2010).

9.3. Organizational Learning Functions

Improving the science level in an organization and organizational learning has plentiful functions and advantages, some of which are pointed out as follow:

- obtaining permanent competitive advantage: the power of learning faster than competitors is a kind of permanent competitive advantage for organizations.

“Learning is the main origin of competitive advantage. Learning is for a change, in other words, in every organization, it should change to evolution and positive evolution should change to custom (Bowen, Rose, & Ware, 2006).

- improving performance: learning is the most important way to improve performance in long-term, and in the near future, the only organization, which can utilize people’s abilities, commitment and learning capacity in all the levels of an organization the best, can claim to be superior (Akhavan & Jafari, 2006).
- Human sources empowerment,
- Creativity and innovation,
- Organizational learning uses common beliefs, understanding and science and increases the speed of changing process to a learning organization.

Altogether, the results of researches show that organizational learning can lead to improving public and team learning in an organization, improving organizational activities, improving individual and group behaviors and finally, efficiency, effectiveness and productivity (Sharma, 2003).

9.4. Organizational Learning and Organizational Culture

To make learning organizations, establishing a strong culture seems necessary. In other words, organizational learning requires learning culture, which includes the following cases:

- Commitment to learning,
- Effective and reliable science,
- Transparency and clearness,
- Topic guidance and leading,
- Responsibility and liability (Malek-poor Gol Sefidi, 2006).

In addition, it is mentioned, “a learning organization learns for future from mistakes by accurate identifying mistakes. Such space happens in a proper organizational culture, which does not believe mistakes to be punished” (Akhavan & Jafari, 2006).

Altogether, the role of culture in a learning organization follows as:

- It supports and encourages Learning and entrepreneurship,
- It encourages researchers and search, discussion, risk taking and obtaining experience,
- It allows participation in accepting mistakes to be seen as an opportunity for organization learning,
- It esteems all personnel’s welfare and convenience (Masudi Nadushan & Javan Shargh, 2005).

9.5. Notes on Organizational Learning Effectiveness

Notes, which should be paid attention by organizations’ supreme managers in order that the programs of organizational learning are effective, are considered as follow:

- Managers should overlook aspects and methods of science, which can transfuse to their organization and get an operational meaning, should know the ways, which people use to acquire information and resolving problems, and should know using science to lead processes, structures, and organizational activities, which lead to improving performance and business (Allameh & Moghaddami, 2010).

- Eyesight, strategy, leadership, values, structure, processes and experiences all should be evolved in order that people's learning is improved and it accelerates organizational learning (Masudi Nadushan & Javan Shargh, 2005).

10. Conclusion

However, today, experts of management and organization prescribe organizational learning as a medicine to all organizational problems, there are managers, who are unable to understand the topic, in which organizational improvement requires commitment to permanent learning, and this inability has made the broadcast and implementation of organizational learning and the factors of this important organizational variable a problem. It is a big challenge for organizations on their way to growth, development, obtaining permanent competitive advantage in complicated and variable environmental conditions. For the increasing and wonderful effect of this medicine, Managers of sophisticated organizations should highly pay attention that learning is permanently assigned as an important part of daily organization activities in all levels, which is an opening to consecutive victories of organizational success.

Reference

- Akhavan, P., & Jafari, M. (2006). Learning organizations. the necessity of knowledge era. *Journal of Tadbir*, 169.
- Allameh, M., & Moghaddami, M. (2010). The survey of relationship between organizational learning and organizational performance (case study: nirou moharreke unit of Iran khodro company), *Journal of Executive Management*, 10(1).
- Alvani, M. (2008). Public Management (32th ed). Tehran: Ney publication.
- Amir Kabiri, A. (2006). The Approches of Organization and Management and Organizational behaviors(1st ed). Tehran: Negah-e-danesh publication.
- Argyris, C., & Schon, D. A. (1978) . Organizational Learning: A theory of action perspective, Reading. MA. Addison Wesley
- Bowen, G.L. Rose, R. A., & Ware, W. B. (2006). The reliability and validity of the school success profile learning organization measure". Evaluation and program planning. Doi: 10.1016/j. evalprogplan. 2005.08.005
- Crossan, M., Lane, HW., & White, R. E. (1999). An organizational learning framework: from intuition to intuition. *Academic management review*. 24 (3) , 522-537.
- Daft, R. , & Weick, K.E. (1984) . Toward a model of organization as interpretation systems, *Academy of management Review*, 9(2), 284 -295
- Dawes, P. L . (2003). A Model of the effects of technical consultants on organizational learning in high-technology purchase situations. *The journal of high technology management research*, 14, 1-20.
- Gholipoor. A.(2012). Human Resource Management (concepts,theories and applications) (3th ed). Tehran:samt Publication.
- Huber, G. P. (1991) . Organizational learning: The contributing processes and the literatures, *Organization Science*, 2(1), 88-115
- Malek-poor Gol Sefidi, S .(2006). Learning organizations, *Journal of Bank and Eghtesad*. 68, 18-35
- Masudi Nadushan, E., & Javan Shargh, H. (2005). Organizational learning and the strategy of learning organization, *The quarterly of Modiriati-e-farda*, 3(9&10), 76-79.
- Marquardt, M. (2002). Building the learning organization, Davis – Black publising, 19(5),182-184.
- Mayo, A. (1994) . The power of learning: a guide to gaining competitive advantage, IPD, House, London
- Sharma, R. K. (2003). Understanding organizational learning through knowledge management. *Journal of Information & Knowledge Management*, 2(4), 343-352.
- Templeton, G. F., Lewis, B. R., & Snyder, C. A. (2002) . Development of a measure for the organizational learning construct, *Journal of management information system*, 19 (2), 175-218
- Yeung, A.K., Ulrich, D.O., Nason, S.W. and Von Glinow, M.A. (1999) Organizational Learning Capability. Oxford University Press, New York.