

Designing Work Organization
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Lecture-29
Learning Organization

In this particular session, we will talk about the learning organization under the same name session we will try to understand what is a learning organization and the building blocks of the learning organization, the half-life curve, as usual the case study, research papers, book references and the references are there. Now whenever we are talking about a learning organization, a learning organization is a group of people who are continually enhancing their capabilities to create what they want to create. Now, in the era of knowledge economy, it has become very necessary for the organization to have a continuous learning, so that the competency or the capabilities of the employees that we can create. So here also, this particular definition by the Peter M. Senge talks about that is when a group of people in the organization, when they continuously learn, so they create the capabilities they want to create. Now in the definition of learning organization, we try to understand, so it is an organization skilled at creating, acquiring and transferring knowledge.

So therefore, a knowledge creation, knowledge acquisition and knowledge transformation that will be the part of this learning organization and modifying in the behavior to reflect the new knowledge and the insights are there. As the every period of time this knowledge is created, so therefore new knowledge and that will be creating into the insight into the organization. So overall knowledge of the organization that will also increase. This definition begins with a simple truth that is new ideas are essential if learning is to take place.

So therefore, employees we have discussed in the previous sessions, they are to be creative, they have to create the new ideas, innovative organizations and organizational effectiveness. So sometimes they are created de novo that is the through flashes of the insight or creativity at the other times. So they arrive from the outside the organization or communicated by the knowledgeable insiders. So whatever their source, these ideas are the trigger for the organizational improvement. But they cannot be themselves create a learning organization without accompanying the changes in the way that work gets done, only the potential for the improvement exists.

So therefore, here whenever we are talking about a learning organization, so it is the unless and until there is no improvement, they are not changes, then in that case the

organization will not be growing. So it has become very important that is the ideas generated into the minds of the employees that has to be all the stakeholders, whether the internal or the external, then their ideas are to be captured and then create a learning organization is to be there. So this is surprisingly stringent test for it rules out and number of the obvious candidates for the learning organization is there. Now what is the responsibility? A manager's responsibility is to create that environment so that the organization can be a learning organization is there. So here many universities that is the, they fail to qualify as do many the consulting firms are there.

So reason is this that is there in spite of the number of the efforts are done, but the ideas are not created. Even General Motors despite its recent effort to improve the performance is found wanting and all of these organizations have been effective at creating or acquiring the new knowledge, but notably less successful in applying that knowledge to their own activities are there. Now there is another aspect also, one is the knowledge creation, second is the knowledge applications as we have seen in Bloom's taxonomy, please refer the Bloom's taxonomy, lower order thinking, middle order thinking and higher order thinking is there. So one side is you are able to create that knowledge, so the organization is able to create that knowledge, but it will be successful only when this knowledge is applicable and applied into the organization. So if knowledge is created, but if not applied in the actions, then there will be no change into the performance of the organization.

Total quality management, for example, it now taught at many business schools yet the number using it to guide their own decision making is very small is there. So therefore, in that case, it is the, it has become the own decision-making is very small. So organizational consultants advise clients on social dynamics and the small group is there. So therefore, in that case, whenever we are talking about active, these are the small, very small groups are there, then in that case, their behavior is not notorious, but their own insightful and the factorialism will be there. And when we talk about the General Motors with a few exceptions, like Saturn and NUMMI has had little success in revealing its manufacturing practices.

So even though its managers are experts on the lean manufacturing, JIT production and the requirement for the improved quality of the work life is there. So therefore, if you find that is the even there are the improved quality of work life is ideas are there, but it has to be seen that is how you are going to implement at your workplace by your employees. Learning organization that do possess the definitional test Honda, then these Corning and General Electric come quickly to mind have become adopted, translating new knowledge into the new ways of behaving is there. So therefore, in that case, these are the certain examples like there it is given here is the Honda is there. So therefore,

this type of these organizations, they are transferring their new knowledge into the new ways of the behaving is there.

And these companies actually manage the learning process to ensure that it occurs by design rather than by chances there. So here it has become important that is the, here we are making that process so that the organization, your responsibility while learning this particular topic, it becomes responsibility to create a process so that you ensure that it is not only the ideas are created, but ideas are implemented also and by and this is by design rather than by chances there. So organizational process is to be created, a culture is to be created, practices are to be created and when you are creating those practices you will find that is you are going to be taken care of this particular aspects. So distinctive policies and practices are responsible for their success and they form the building blocks of the learning organizations are there. So here now what is the organization does? So organization make the different policies and practices as compared to their competitors because they will become successful what they do, they create the building blocks of their the learning organizations are there.

So that process is created, those practices and then the managers are required to not only to develop the ideas, but they are also supposed to be develop that particular sort of the applications also. Now how to create the building blocks of this learning organization is there? So systematic problem solving is there that is the, these particular practice or the that environment, organization practices or culture that is the first and foremost is in your organization, the organization should be create a systematic problem solving a project. So any problem occurs and there will be the certain people those who will be able to solve the problem and then they immediately solve the problem that is good, but that is not best because this solving process whether it has been documented, whether it has been communicated, whether it has been discussed, if it is so then it is a perfect process, but if it is not then it is not a systematic process. So therefore, not only the problem solving, but solving the problem systematically that is very very important is there. So the in the organization whenever this type of the issues arises and there is a proper methodology is there, so you follow that methodology, so that is the culture is created.

So you may say, so it may take time, yes it may take time, but there will be a systematic procedure then. Now the experimentation with the new approaches are there, allow people to do the experimentation right, unless and until you will not allow people to do experimentation, they will not come out with the new ideas and new product will not be developed. So here it is important that is the this risk of experimentation because naturally it requires the investment also. So therefore, in that case this is allowed in the culture of the organization. Learning from their own experience and the past history is

there.

Knowledge creation is not only by the creation of the innovations, but learning from their past experiences also. So person who has worked in an organization for long period of time, so he understand what will work here, what will not work here. However, the theoretically you may say that this particular aspect may work, but not necessarily that aspect will work. Rather than it is possible that is the person who is experienced one, he can say that is this particular change will be successful or it will not be successful. Learning from the experiences at best practices of others.

Now the collective wisdom, the collective wisdom is to be created because when we are learning from the others experiences also, the past experiences also. So what we do, we raise, we raise our wisdom level because we have seen that is if these actions are to be done, what problems are there and to overcome those problems and their best practices will be that, it will be that other end. And the transferring the knowledge quickly and efficiently throughout the organization and this particular knowledge that you will be able to create and transfer through in the within the organization as a culture. So therefore, in that case these practices, these building blocks are to be developed so that you are creating a systematic activity for these creation of knowledge and application of knowledge in your organization is there. Now each is accompanied by the a distinctive mindset, toolkit and the pattern of behavior and many companies practice these activities to some degree is there.

Now these building blocks will be definitely restricted to a particular individual, a manager and his mindset that is what is his mindset is there. And what type of the toolkit he is going to use, mechanism and the pattern of behavior also. So, what pattern of behavior one will have that will be decided here. But a few are consistently successful because they rely largely on the chance and isolated examples are there. And here you will find that is the some of the managers they are consistently successful, right because they are largely on the chance and the isolated examples are there.

So, by creating the systems and processes that they support these activities and integrate them into the fabric of the daily operations is there. Now, this is not the a special movement or special activity, but rather than this is becoming the part of life. It is a routine, it is not special drive, it is the culture, it is in the practice and day-to-day practice, daily practice is there. So, therefore, in daily operations companies can manage their learning more effectively. So, what is suggested is that is your mechanism of work right at the organization that should itself should be knowledge creators and knowledge applications.

Therefore, in that case, if you do those practices daily basis, then the organization's output outcome and the satisfaction of the individual also because there his knowledge, his past experiences, his approaches that has been also incorporated, so he will be also happy. Now, let us take the one by one how they these processes are followed. So, systematic problem solving is there. So, the first activity which rests heavily on the philosophy and methods of the quality of movements, it is underlying ideas and now widely accepted included it is there. So therefore, relying on the scientific method or rather than the guesswork for the diagnostic of the problem, what Deming calls the plan to check PDCA, there is a Plan, DO check, act the cycle and others refer to as a hypothesis generation, hypothesis testing techniques are there.

So therefore, in that case, first we have to guess that is the what is the problem is there and then why this problem is occurring. So therefore, you start the diagnosis of the problem is there and for diagnosis you are making certain assumptions that is the A, B, C, D, these are the four assumptions which may be causing this particular problem. So, insisting on data rather than the assumptions as background for the decision making, what quality practitioners call the fact based management is there. So therefore, once assumptions are made and then you start collecting the data and then is data then that is that will be help you for the decision making because now you know that what quality production called the fact based management is there. So, the data is giving the facts that what is the fact is there and using simple statistical tools Instagram, Pareto charts, correlations, cause and effect and diagram and to organize the data of the new inferences are there.

Now most training programs focus primarily on the problem solving techniques using this the exercise and practical examples and these tools are relatively straightforward and early communicated and the necessary mindset however, more difficult to establish is there. So accuracy and precision are the essentials for the learning. So employees must therefore, become more disciplined in their thinking and more attentive to details are there and they must continually ask how do we know that is true and reorganizing that close enough is not good enough if really learning is to take place. So, they must push beyond the obvious symptoms to assess underlying cause often collecting evidence when the conventional wisdom says it is unnecessary is there. Otherwise the organization will remain a prisoner of the good facts and the sloppy reasoning is there and the learning will be is different.

So employees are provided with the tools in four areas generating ideas and collecting information, brainstorming, interviewing, surveying, reaching consequences that reduction rating forms, weighted voting, analyzing and displaying the data cause and effect diagrams that is a force based analysis and planning if that is action how this

charts and charts will be used. So here then they practice these tools during their training sessions that last for the 7 days are there. Now the second part is the experimentation, as I mentioned it is every organization has to allow this particular the these experimentation and this activity involves the systematic searching for and the testing of the new knowledge is there. So, using the scientific method and two essentials there are obvious parallels to the systematic problem solving is there. But unlike problem solving experimentation is usually motivated by opportunity and expanding the horizons not by the current difficulties are there.

So e-table takes two main forms, one is the ongoing program and one of a kind of demonstration projects. So ongoing programs are normally involving the continuing the series of the small experiments designed to produce the incremental gains in the knowledge are there. So they are the mainstay of the most continuous improvement program and are they especially common on the shop floor are there. So second is the that is the whenever we are talking about this coming for example, the experiments continuously will diverse new raw materials and then new formulations to increase the yields and provide the better grades of the grass is there. So here Ellingley-Ludman especially the steel maker regularly examines new rolling methods and the improved the technologies to raise the particularly and productivity and the reduce the cost is there.

So here these the Charpal is one of the five lowest cost steel plants in the world and GE's impact program that is originally sent manufacturing managers to Japan to study the factory innovations such as quality circles and the can-win cars are there and then they apply them in their own organizations. Today Europe is the destination and the productivity improvement practices the target is there. So the program is one reason GE has recorded the productivity gains averaging nearly 5 percent over the last 4 years are there. So this particular experimentation that has been become the very, very important and successful. Demonstration projects are usually larger and the more complex than the ongoing experiments.

They involve the holistic systematic changes and introduce a single site and are often understand with the goal of the developing the new organizational capabilities. Because these are projects represents a sharp break from the past and they are usually designed from the scratch using a clean slater approach is there. So general foods are Topeka plant one of these first high commitment to work systems in the country was a pioneering demonstration project initiated to introduce the idea of the self-managing teams and high level of the worker autonomy. A more recent example designed to rethink small car development manufacturing and sales is the General Motors certain division is there. So companies must review their success and failures, assess them systematically and record the lesson in a form that employees find open and accessible.

One expert has called the process here that is Santhana Revu citing the famous philosopher George Santhana who coined the phrase those who cannot remember the past are condemned to repeat it. So unfortunately too many managers today are indifferent even the hostile to the past end up by failing to reflect on it and they let valuable knowledge escape. So Boeing used lessons from the earlier model development to help produce the 757 and 767 the most successful error free launches at its history. So case studies and the post project reviews those of the Xerox and the British petroleum can be performed with little cost other than the manager's time is there. Companies can also enlist the help of the faculty and the students at local college or the universities.

They bring a fresh perspective and view the internships and case studies as opportunities to gain the experience and increase their learning. A few companies have established these computerized data banks to speed up the learning process. So at Paul Revers Life Insurance, management requires all problem-solving teams to complete the short regression forms describing the proposed projects they hope to quality from the company's award program. The company then enters the forms into its computer system and can immediately retrieve a listing of the other groups of people who have worked out to working on the topic along with a contact person. So relevant experience is then just a telephone call away.

Learning from others, of course not all learning comes from the reflection and the self-analysis. Sometimes the most powerful insight come from the looking outside one's immediately environment to gain a new perspective. And let the managers know that even companies in completely different businesses can be the fertile sources of ideas and catalyzes for the creating thinking is there. At these organization enthusiastic borrowing is replacing the not mentioned here. So syndrome Wilken calls the process SIS for the still ideas shamelessly the broader term for its benchmarking.

According to the one expert benchmarking is an ongoing investigation and learning experience that ensure that the best industry practices are the unrecovered, analyzed, adopted and the implemented are there. The greater benefit from this studying practice is the way that work gets done. So rather than the results are from the involving the managers into the process. So almost anything can be benchmarked. So Xerox the concepts creator has applied it to building, warehousing and the automated manufacturing is there.

So Wilken has been even more creative in the inspired movement. It benchmark Xerox approaches to benchmarking. So benchmarking is one way of the gaining an outside of perspective another quality fertile source of idea is the customers. So conversation with

the customers invariably stimulating the learning they are after all experts in what they do. So customers can provide up to date product information and the competitive these comparisons insights into the changing preferences and the immediate feedback about the service and the pattern of the use.

And the companies and these insights at the all level from the executive suits to the shop floor. At Motorola members of these operating and the policy committee including the CEO meet personally and on a regular basis with the customers. At Worthington Steel at machine operators make these periodic unscored trips to the customers that factories to discuss their needs. Whatever the source of outside ideas learning will only occur in a receptive environment and learning organization by contrast cultivate the art of open and attentive listening is there.

Now we come to the transfer of knowledge. So for learning to the more than a local affair knowledge must spread quickly and efficiently throughout the organization. Ideas carry maximum impact when they are shared broadly rather than they held in a new lens. A variety of mechanisms spur the process including the return oral and visual reports they are the visits and tours. So personal rotation programs, education and learning programs and the standardization programs are there.

Each has distinctive strengths and weaknesses. So reports and tours are by the for the most popular mediums reporting the serve many purposes and these summarize findings provide checklist of dos and do nots and to describe the important processes and events are there. They cover a multitude of the topic from the benchmarking, the studies to accounting convention to many discoveries and marketing techniques are there. Today written reports are the supplemented by these video tapes which offer the greater immediacy and fidelity. So thus tours are an equally popular means of the transforming knowledge especially for the large multi-divisional organization with the multiple sides are there. So here it is becoming the most effective tours are tailored to different audience and the need based to introduce a managers to the distinctive manufacturing practices of the new united major manufacturing that is the new MMI.

Here the General Motors developed a series of the specialized tours somewhere for the upper and middle managers while the others were for the lower ranks. Each tour describes the policies, practices and the systems that were most relevant to other level of the management is there. The half-life curve, on the half-life curve it was originally developed by the analog devices a leading semiconductor manufacturer as a way of comparing the internal improvement rates are there. A half-life curve measures the time it takes to achieve a 50 percent improvement in a specified performance measure. When represented graphically the performance measures defect rates on time delivery, time to

market is plotted on the vertical axis using a logarithmic scale and the time scale days once years is plotted horizontally.

So stepper stops then represent the faster learning see the we here in the exhibit you will find that is half curve. So analog device has used half-life curve to serve the performance of the division here and monthly data and the customer service at the graph here of the 7 divisions. So division of C is the clear winner. So even though it started with a high proportion of the later deliveries it is rapid learning rate later eventually to the best absolute performance is there. So division D, E, E, G have been made for the less successful with little or for the improvement in our services over the period of time.

So this is the exhibit which you can see. So analog devices used half-life curve to compare the performance of the division and this time required to reduce the late shipments by one half is there. So as a result of which you find that is the by using these practices you can improve your productivity and you can control your timings effects are there. This is a case study Kapoor hotel. Please read this case study and you will understand that the concept which we have talked in the previous Pfizer learning organization how this Kapoor hotel has created the new knowledge and implemented at their workplace. This is another research paper which is a spiritual development a missing and powerful leverage when building the learning organization is there.

So therefore in the development of the materialistic developments please also take care of the spiritual development is there. So this research paper will also tell it is how knowledge creation in the organization and organizational collectivities that they can have the priority the practitioners in the create an environment raising the level of consciousness so that their efforts can be there. This is another research paper on learning organizations' diagnosis and measurement in a developing country context and this paper will also help you to understand that is how the measurement instrument focusing on this to derive the value the added insight will be there. This is the book building the learning organization mastering the five elements for corporate learning is there. This book will help you to understand the different models of learning organizations with the help of case studies for example FedEx, Nokia, Alcoa, Whirlpool, Microsoft and others which will be helping you to that is how the companies are going with the learning organizations are there.

These are the references for your further studies to go into the detail. I am sure by going through these references you will be able to practice the learning organization culture at your workplace. Thank you.