What Is a Learning Organization?
Reflections on the Literature and Practitioner Perspectives

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Literature
The literature I reviewed about learning organizations fell into these categories:

- The "Founders"
- Real-world Definitions and Critiques
- Promoting Continuous Improvement, Innovation, Stakeholder Collaboration
- Organizational Learning and Organizational Outcomes
- Today's Approaches for Building Organizational Learning

The "Founders"
Where did the concept of a "learning organization" originate? Who helped create and disseminate this concept? What are the landmark publications that changed our thinking in the 1990s? In literature and conversations with practitioners, the authors whose names came up again and again as "founders" of sorts of this approach are Peter Senge, Chris Agyris, Donald Schon, and Margaret Wheatley. Also highlighted in this section is Shana Ratner's description of the fundamental shift in learning approaches in the latter half of the 20th century that has given rise to exiting new fields like organizational learning.

Peter Senge
Peter Senge is considered by most to be the "father" of organizational learning (Dumaine, 1994). Senge is a director at Innovation Associates, a Cambridge consulting firm, and advises government and educational leaders in centers of global change like South Africa. Senge's message of growth and prosperity holds strong appeal for today's business leaders. His research center at MIT, the Center for Organizational Learning, started in 1990, has 18 corporate sponsors, including AT&T, Ford, Motorola, and Federal Express. Each contributes $80,000 a year to create learning organization pilot programs with the help of Senge and his colleagues.

The learning organization concept gained broad recognition when Senge published his best-selling *The Fifth Discipline* in 1990. In it he writes that a learning organization values, and derives competitive advantage from, continuing learning, both individual and collective. The five disciplines are systems thinking, personal mastery, mental models, shared vision, and team learning (Senge, 1990). Senge proposes that people put aside their old ways of thinking (mental models), learn to be open with others (personal mastery), understand how their company really works (systems thinking), form a plan everyone can agree on (shared vision), and then work together to achieve that vision (team learning).

None of these concepts are new, but Senge created something new and powerful by putting them together. Unfortunately, at first glance these ideas can seem ambiguous. As a result, only a small percentage of the huge number of people who bought the book have read it, and only a small percentage of those have carried out its ideas (Dumaine, 1994). To make the learning organization more accessible to seasoned managers, Senge and several co-consultants published *The Fifth Discipline Fieldbook*, a more "hands-on" work.
The *Fieldbook* explains that anyone who wants to be part of a learning organization must first go through a personal change (Senge, Kleiner et al., 1994). This means that if some members of the group like to tell people what to do and are too busy to listen, they must be willing to change themselves. Senge and his colleagues consult with organizations, where they teach an elaborate set of personal-awareness exercises with names like dialogue, the container, and the ladder of inference.

Once you have "shifted your personal paradigm," Senge says, you must master something called systems thinking, a scientific discipline that helps you understand how organizations work. "The outsider, faced with such a formidable field to master, might ask, Why bother? Senge argues that the very future of the planet hangs in the balance (Dumaine, 1994)." This comment reflects Senge's interest in tackling issues like overpopulation, hunger, and the environment, and his commitment to a personal life that reflects these professional ideals.

**Chris Argyris**

Chris Argyris is also lauded for disseminating pioneering ideas about how learning can improve organizational development success (Abernathy, 1999). Argyris is Professor Emeritus of Education and Organizational Behavior at the Graduate School of Business, Harvard University, the director of the Cambridge, Massachusetts-based Monitor Company, and the ASTD winner of the Lifetime Achievement for Advancing Workplace Learning and Performance Award. He is probably best known for distinguishing between learning that challenges the status quo, called double-loop learning, and learning that is routine, called single-loop learning.

Double-loop learning is about solving difficult problems, according to Argyris. We discover and establish truth when we subject people's claims to rigorous tests. That allows us to see more clearly the causal processes embedded in those claims. Argyris calls this transparency. Double-loop learning depends on stewardship, or the internal commitment by employees to seek truth, transparency, and personal responsibility in the workplace. For single-loop learning, people are programmed to believe that transparency and truth are good ideas, but only when they're not threatening or embarrassing, he says.

In his article "Good communication that blocks learning," Argyris says that the new but now familiar techniques of corporate communication, like focus groups, surveys, management-by-walking around, can block organizational learning even as they help solve certain kinds of problems (Argyris, 1994). These techniques, he explains, promote defensive behaviors by encouraging employees to believe that their proper role is to criticize management while the proper role of management is to take action and fix whatever is wrong. Worse yet, they discourage double-loop learning, which is the process of asking questions not only about objective facts but also about the reasons and motives behind those facts. Argyris's double-loop learning encourages people to examine their own behavior, take responsibility for their action and inaction, and make conscious the kind of potentially threatening or embarrassing information that can produce real change.

So, how can businesses put these ideas into action? Argyris says people need to recognize that "expert" business advice becomes a fad and slowly fades away. What remains is a deepening
sense of lack of credibility and believability for those who gave and used the advice. The result is that organizations develop ultra-steady states that make it difficult to carry out advice given by the line executives and professional change agents.

People can overcome these counterproductive consequences in themselves, in groups, or in the organizational cultures in which they work by examining "expert" advice in order to surface the gaps and inconsistencies, Argyris says. He recommends that managers challenge employees to think constantly and creatively about the needs of the organization. This goal is to fill employees with as much intrinsic motivation and as deep a sense of organizational stewardship as any company executive. By applying these ideas to individual or group performance reviews, managers can create an incentive for employees to increase their commitment to continuous, non-routine learning and for implementing strategy.

Donald A. Schon
For about 40 years, Don Schon wrote about and consulted in the field of organizational learning. His name was often associated with Harvard scholar Chris Argyris with whom he coauthored *Theory in Practice* and *Organizational Learning*. Many of Schon's insights, though not well distinguished in the management literature, continue to have a significant impact on the conceptualization of organizational learning (Lichtenstein, 2000).

Schon's work can be organized into four themes: (a) his concept of inquiry as reflection-in-action, (b) constructing a learning dialectic in organizations, (c) the practice of learning how to learn, and (d) his commitment to a new educational paradigm that teaches practitioners how to reflect-in-action. In his book, *The Reflective Practitioner: How Professionals Think in Action*, Schon describes his structure for reflection-in-action and describes patterns and limits of reflection-in-action across the professions. "Reflection-in-action," he explains, "is both a consequence and cause of surprise." When a member of a bureaucracy embarks on a course of reflective practice, allowing himself to experience confusion and uncertainty, subjecting his frames and theories to conscious criticism and change, he may increase his capacity to contribute to significant organizational learning (page 328, (Schon, 1983))." Schon also warns that most organizations are not comfortable with the threat of instability that is the result of this learning.

In the March 2000 *Journal of Management Inquiry*, Benyamin M. B. Lichtenstein summarizes Schon's contributions to the field of organizational learning and proposes his own (Lichtenstein's) theory of "generative knowledge," which he says builds on Schon's ideas about reflexive action. Lichtenstein writes that Schon's work rests in part on a powerful insight that is now all but taken for granted. Schon, he explains, insists that managers and all decision makers in science and the professions must move beyond a purely rational model of understanding to one that is transactional, open-ended, and inherently social. He advocates a mode of knowing that can inquire into and transcend its own axioms, as well as inquire into and transform one's own practice. Whereas natural science is based on imparting knowledge about isolated events and "objective" entities, Schon's approach is relational, allowing for a direct connection between epistemology (how do we know) and reflective practice, inquiring into the process of knowing itself. In this interactive mode, "the inquirer does not stand outside the problematic situation like a spectator; he is in it and in transaction with it."
When compared to the current literature on organizational learning, Schon's deep integration of knowing and doing can be seen as pioneering work (Lichtenstein, 2000). Most literature on organizational learning describes the process as a series of separable elements that may generate learning over time. According to Schon's approach, action and reflection should occur at the same time so that learning is necessarily embodied in concrete situations. Recent workers call this type of learning "generative" because cognitive understanding is generated through one's active participation in a project, group, or system (Lichtenstein, 2000).

Some comment that that Schon does not emphasize how rare it is for persons to solicit feedback about mismatches between their principles and their actions. "The fact that such learning may be extraordinarily useful and enlightening does not mean that many individuals are willing to undergo the suffering it often requires," says Lichtenstein.

**Margaret Wheatley**

Margaret Wheatley's book *Leadership and the New Science: Learning about Organizations from an Orderly Universe* has been recognized as introducing a new paradigm for organizational development that involves "reintegration" of society (Dennard, 1996), (Brown, 1993), (Anonymous, 1994). First published in 1992, *Leadership and the New Science* suggests that people develop a new outlook about organizations, leadership, change, and chaos. Wheatley offers these core ideas: 1. Everything is a constant process of discovery and creating. 2. Life uses messes to get well-ordered solutions. 3. Life is intent on finding what works, not what is right. 4. Life creates more possibilities as it engages with opportunities. 5. Life is attracted to order. 6. Life organizes around identity. 7. Everything participates in the creation and evolution of its neighbors.

Reflecting on her revisions for a second edition (Wheatley, 1999), Wheatley notes that "chaos and complexity have emerged as serious branches of science." Both editions suggest that scientists and leaders need to cultivate the participation required for communities of all sizes - from neighborhoods to organizations to countries - to work together in harmony. The transformative steps that will give rise to organizational harmony is described in Chapter 8, "Change: The Capacity of Life."

"Our ideas and sensibilities about change come from the world of Newton. We treat a problematic organization as if it was a machine that had broken down. We use reductionism to diagnose the problem… to repair the organization, all we need to do is replace the faulty part - { a bad manager, a dysfunctional team, a poor business unit} - and gear back up to operate at a predetermined performance levels… But when we encounter life's processes for change, we enter a new world. We move from billiard balls banging into one another to effect change, to networks that change because of information they find meaningful. We stop dealing with mass and work with energy. We discard mechanistic practices, and learn from the behavior of living systems. New change dynamics become evident. … The first great shift is …{that we} need to work with the whole of a system… {The second shift is to} leave behind the *imaginary organization* we
design and work with the *real organization*, which will always be a dense network of interdependent relationships… If we are interested in effecting change, it is crucial to remember that we are working with these webs of relations, not with machines."

Using a spider's web as a metaphor, Wheatley vividly demonstrates how organizations are living entities and that learning and change strengthen their structure and their communities.

"Once we recognize that organizations are webs, there is much we can learn about organizational change just from contemplating spider webs. Most of us have had the experience of touching a spider web, feeling its resiliency, noticing how slight pressure in one area jiggles the entire web. If a web breaks and needs repair, the spider doesn't cut out a piece, terminate it, or alter the entire web apart and reorganize it. She *reweaves* it, using the silken relationships that are already there, creating stronger connections across the weakened spaces. … In order to change, the system needs to learn more about itself from itself. … We are terrified of emotions aroused by conflict, loss, love. In all of these struggles, it is being human that creates the problem. We have not yet learned how to be together…. After all these years of denying the fact that we are humans, vulnerable to the same dynamics that swirl in all life (plus some unique to our species), we are being called to encounter one another in the messiness and beauty that names us as alive."

**Shana Ratner on Old and New Answers to How We Learn**

Shana Ratner's (1997) "Emerging Issues in Learning Communities" offers an insightful description of the fundamental shift in learning approaches in the latter half of the 20th century that is giving rise to exiting new fields such as active learning, collaborative learning, and organizational learning. This shift, from thinking of learning as a transaction to learning as a process, is shown in Table 1. This shift eliminates the separation of teacher from student and replaces it with dialogue between teacher and student to encourage joint responsibility for learning and growth (Burkey, 1993).

<table>
<thead>
<tr>
<th>Old Answers</th>
<th>New Answers</th>
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<tbody>
<tr>
<td>Knowledge is a &quot;thing&quot; that is transferred from one person to another.</td>
<td>Knowledge is a relationship between the knower and the known; knowledge is &quot;created&quot; through this relationship.</td>
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<tr>
<td>Knowledge is objective and certain.</td>
<td>Knowledge is subjective and provisional.</td>
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<tr>
<td>Learners receive knowledge.</td>
<td>Learners create knowledge.</td>
</tr>
<tr>
<td>We all learn in the same way.</td>
<td>There are many different learning styles.</td>
</tr>
<tr>
<td>Knowledge is organized in stable, hierarchical structures that can be treated independently of one another.</td>
<td>Knowledge is organized &quot;ecologically;&quot; disciplines are integrative and interactive.</td>
</tr>
<tr>
<td>We learn best passively, by listening and watching.</td>
<td>We learn best by actively doing and managing our own learning.</td>
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</tbody>
</table>
We learn alone, with our minds, based on our innate abilities.

We learn in social contexts, through mind, body, and emotions.

We learn in predictable sequences from simple "parts" to complex "wholes".

We learn in wholes.

Our "intelligence" is based on our individual abilities.

Our intelligence is based on our learning community.

Ratner defines a learning organization as "one in which people at all levels, individually and collectively, are continually increasing their capacity to produce results they really care about." She describes Peter Senge's *The Fifth Discipline Fieldbook* as "one of the most powerful set of tools for examining our assumptions."

**Real-World Definitions and Critiques**

Since the 1990 publishing of Senge's *The Fifth Discipline*, many have attempted to promote learning at their organizations. Below are perspectives from some of these practitioners about what a learning organization is to them and about worked… and what did not.

**What Defines and Propels a Learning Organization?**

Linda Levine is a senior member of the technical staff at the Software Engineering Institute of Carnegie Mellon University, and has authored many articles about organizational change management. Her 2001 article "Integrating Knowledge and Process in a Learning Organization" describes the similarities between technology change management (TCM) and learning organizations. She describes a learning organization as one in which:

- The organization remembers and learns
- Public recording is unobtrusive and useful in the execution of work processes and decision-making.
- Principles and concepts may refer to a group, an organizational unit(s), or a community, suggesting notions of scalability and tailoring.
- The notion of learning is different from the additive sum of individual contributions (the whole is more than the sum of its parts).
- Learning is applied to produce or modify individual dispositions, policies, processes, and procedures.

She also lists several compelling reasons for promoting organizational learning:

- About 70 percent of business efforts in process reengineering efforts or redesigns fail.
- Work groups in the 21st century will manage change in dynamic situations.
- Traditional management constructs are incompatible with the collaborative development approach for new technologies.

R.P. Mohanty's (1999) article about a strategic learning model for advanced manufacturing technology (AMT) starts with Peter Senge's list of learning organization characteristics:

- There exists a shared vision that everyone agrees on.
- People discard their old ways of thinking and the standard routines for solving problems.
Members think of all organizational processes, activities, functions, and interactions with the environment as part of the system. People openly communicate with each other without fear of criticism or punishment. People sublimate their personal self-interest and fragmented departmental interests to work together to achieve the organization's shared vision.

The article offers six "generic and interactive forces that influence any business corporation to evolve into a learning organization" (Mohanty and Deshmukh, 1999). These forces also speak to organizational performance.

- Customer power
- Information power
- Global investors power
- Global market power
- Power of simplicity
- Power of the organization

Costa Mesa's (1998) "Recasting employees into teams" describes how Signicast of Milwaukee, Wisconsin, developed a "learning organization mindset" at a newly constructed plant (Mesa, 1998). Important strategies and points include the following:

- Worker-executive dialogue about building the new facility was critical for engaging workers and improving designs.
- Cross training makes jobs more interesting, teaches employees new skills, and reduces injuries.
- Learning incentives promote cross training and reward good performance.
- Including workers in shift scheduling is one way to promote a strong work/life balance.

The Validity and Applicability of Organizational Learning Models

Glasmeier, et al's (1998) article about manufacturing modernization programs offers a critique of the validity and applicability of organizational learning models. The article presents these criticisms as "propositions," which are listed below. These propositions highlight areas where programs that promote organizational learning may fall short, and are areas that need to be considered for assessment. The article also points out that "firm-learning" is a function of a firm's personnel, and that the literature is "mostly silent" about this.

Proposition 1 The lack of a universally accepted definition of firm learning has led to significant misuse of the term.

Proposition 2 Normative in intent, most discussion of the learning organization lacks appreciation of the rote nature of learning in organizations.

Proposition 3 Learning is about the acquisition and use of information. We know little about how firms determine the need to acquire new information and develop the ability to act in response to newly acquired knowledge.

Proposition 4 Information absorption is critical to learning. Yet, a firm's ability to absorb new information is a function of its previous experiences with similar types of information.

Proposition 5 Learning is history-dependent. Firms act on the basis of historical precedent. Doing what you know is the safety net.
Sources


