

**NPTEL**  
**NPTEL ONLINE CERTIFICATION COURSE**

**Course**  
**on**

**Human Resource Development**

**by**  
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**Lecture 55: HRD, Organizational Learning, and  
Learning Organization (Contd.)**

Okay so welcome back and remember we have been talking about some of the characteristics of learning organization that was discussed by Peterson and he has talked about five major disciplines, or what we call curious substance like system thinking, visualizing things in a better way or having a bigger picture, then there will be competence that is relate to personal mastering, then the third thing was relate to mental morals okay.

So do not have the narometal models lighten up your scores, try to change your behavior issue based upon feedback, and then you share the vision and ultimately go for team leadership, get together collectively. So these are some of the things that is related to the learning organization, so based on this probably we are moving ahead to see that how we can create and build a learning organization.

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## Session 5

### Creating and Building a Learning Organization



So the final system that we have today here is it is related to creating and building a learning organization. Similarly we talked about Garvin and other things, so we are going to use some of these conception in detail to see that how we can go about creating and building a learning organization.

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## Creating a Learning Organization

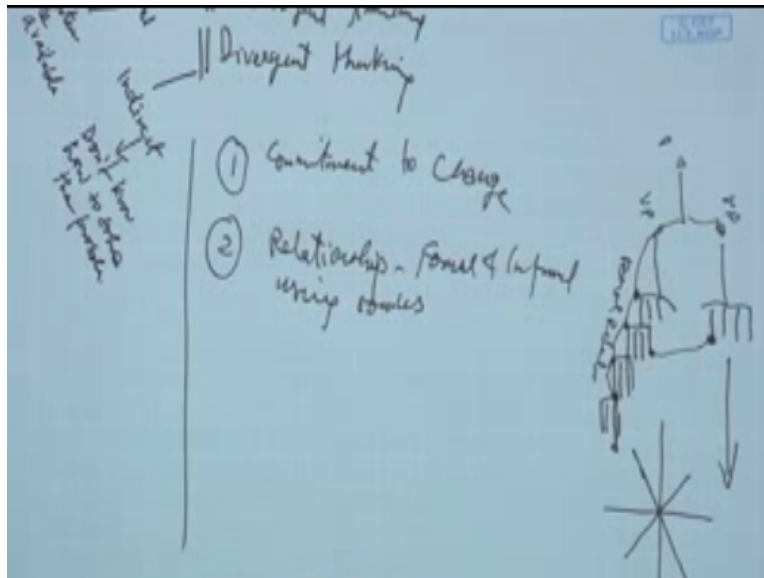
- All employees from top to rank and file workers must establish a commitment to change for bringing about changes for improvements of the organization.
- To accept change formal boundaries between people are to be eliminated.

Now how you try to create a learning organization, what are the things that is to be looked into? The first thing that is required is commitment to change from everyone right, it is that everybody is going to voluntarily participate in the process to bring about a change in the organization so that the behavior and the performance of the organization improves.

So first condition, when you are going to create a learning organization is that all employees, starting from CEO to the last man, okay. So everybody from top to rank and file workers must establish a commitment to change, it means that everybody should voluntarily participate to ensure that things changes in the organization okay, and then only it is possible to bring about a change.

Because if you are not committed to change probably it is not going to happen, okay, so everybody should have commitment and support for the change to make sure that there is a change in the behavior and the organization improves, right. So this is the first condition when you are going to create a learning organization. Next is that you are going to accept change, formal boundaries between people are to be eliminated, okay. So first point that I have been talking about is it was related to this one like.

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Commitment to change and second point I am talking about is the relationship, building relationship both formal and informal using different sources, okay. So when we have to build relationship formal and informal, so since you have a structure something like this, suppose this is a top man, then we have this two people are working say this is the president, this is the vice-president, I am just trying to explain the structure of an organization.

So this is a department and there are four people working here, and there is another department there is four people, and now under this again there are four people and then again there are some people working, this is a formal structure in the organization, and similarly here also it happens. So as a functional structure that was going to see, now when we are saying that you need to change this formal boundaries.

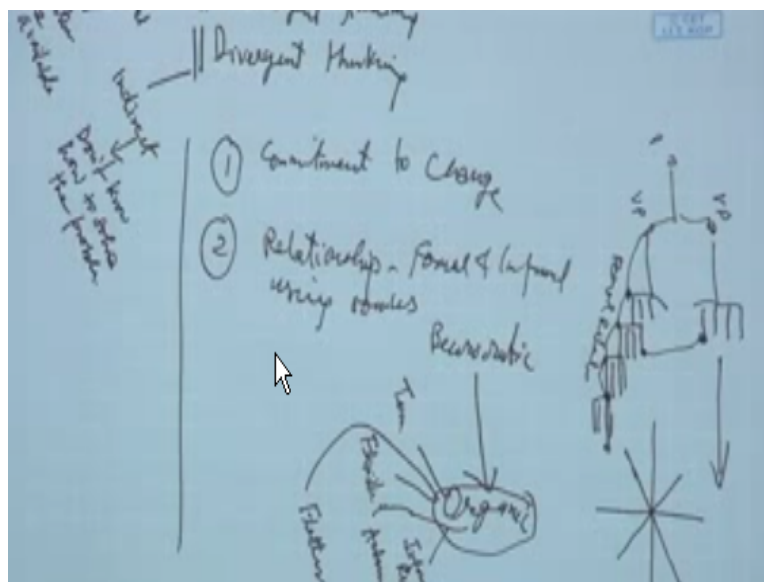
Formal boundaries means the roles and responsibilities that this person is going to report to this person, this person is going to report to this person, this person is going to report to this person, this person is going to report to this and this formally, so this is what we call a formal relationship.

You also need to create informal relationships, so for example this person is going to report, have some kind of relationship with this person, so this is a more informal relationship; it could be based on interest or something else, but you should make sure that you are going to encourage these kind of informal relationship in addition to the formal relationship that you have, okay.

So the kind of integration that you have vertical or horizontal or it could be this way also, so make sure that the relationship could be developed not vertically and horizontally but also lateral and otherwise. The idea is that if you are able to develop this kind of thing probably you are going to do away with the kind of boundary, artificial boundaries that you have created between divisions, departments, okay.

And since we have created divisions and departments so if you go for better integration, more coordination using formal and informal relationships networks and this kind of things probably you will be able to create a system and process where everybody is going to discuss certain things with other people right, so you need to eliminate this kind of structures which is going to be very, very bureaucratic.

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So the idea is that if you have a bureaucratic structure which might be functional to you, you move to more organic structure, organic structure which is going to be much more flexible in nature, okay, in terms of interaction and relationship, right. So from a bureaucratic structure we are going to move an organic structure and if you look at some of the characteristics of this it is going to be more flexible, autonomies more there, okay.

You are going to establish what we call informal relationships also okay, you are going to work in teams, the structure is going to be more flatter, so we are going to have a more flatter structure okay, two layers and hierarchies in there, organization. So if we are going to create organic

structure to the organized court because that facilitates learning, okay, and that is why two conditions that need to matter is that you must bring about a commitment to change for everybody, all the people in the organization starting from the top person to the bottom.

And then make sure that you are able to develop a system of coordination and integration across departments vertically and horizontally both, and make sure that we still are having a bureaucratic culture, or bureaucratic systems and processes you try to adapt more on organic systems and processes, right.

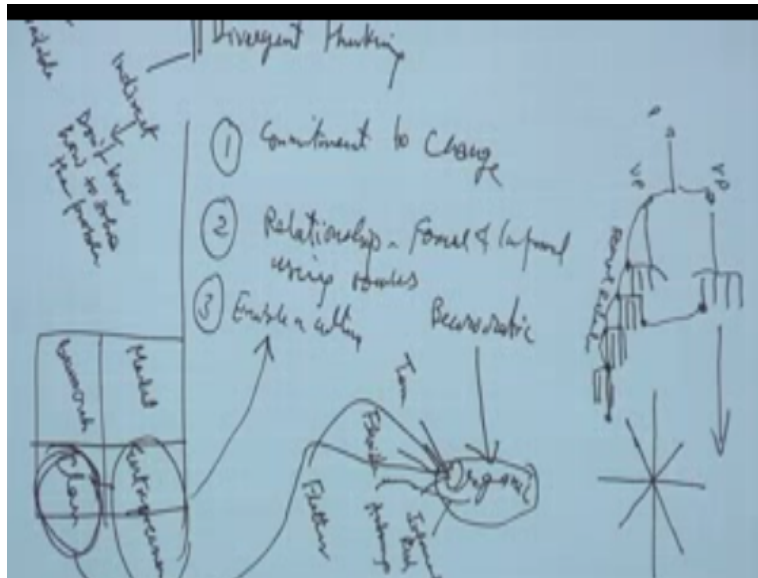
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### Creating a Learning Organization

- All employees from top to rank and file workers must establish a commitment to change for bringing about changes for improvements of the organization.
- To accept change formal boundaries between people are to be eliminated.
- To adopt effectively organization should develop a culture of openness and growth by fully incorporating employees into the challenges faced by the organization.

That would facilitate the learning organization, and then you make sure that you develop a culture, okay.

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So the third thing that is that you enable a culture okay and you know that culture could be of different types. For example we talk about culture in terms of say it could be bureaucratic, it could be market oriented culture, okay and then it could be interbeural also, or it could be client culture. Now this is, client culture is the best thing to adapt in an organization because this client culture would be related with what we call the organic form of structure okay.

This could also be possible that if you have the combination of entrepreneurial where people are really committed to go for innovation and improvement, everybody, and they are ready to work like a family, a plan, I think that is the best thing and this would create an enabling culture in the organization, okay. So you are going to develop a culture of openness and growth both, okay. A plan is like a family where everybody interacts and relate with this openly, right.

Similarly if you are going to create a culture of entrepreneur ship or entrepreneurial culture, that would help for the growth and development of innovation and creativity, right, and everybody participates in this process, so these are the three important things that is required for creating a learning organization, okay. So now we are moving further to discuss about the ratios.

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## Developing Core Competencies

- Competencies are the skills, technical knowledge, and personal attributes that contribute to an individual's success in a particular position.
- These core competencies apply to all library staff, although some aspects of each of the competencies may not apply to every staff person.

– Joan Giesecke and Beth McNeil



Which is related to another important factor that you need to develop the core competencies, you know that the term core competence is in literature since long and many people starting with Harnell, Prehra, everybody talked about core competence of the organization, and these two had actually said that you need to work in the real core competence, you need to realize where your strength is and then you try to exploit your strength, okay.

So first of all you need to identify your organization, where is the strength, where the strength lies in the organization okay, and then you need to exploit those strength, and if you do not have a strength then you need to develop those competencies, core competencies in the organization which is going to help the organization to grow and develop. Now when we are going to talk about core competencies it could be related to the individual level as well as the organizational level, both.

So when we are talking about the core competence of the individual it is basically the competencies, the knowledge skill and aptitude that people have which leads to the success, and in known case where these people, these skill applied especially in, for the library staff, he could find that these kind of competencies could be used by these people to excel in their performance, so the idea is that you should be good in what you do, okay.

And that is where the competence matter, so you, that is related to the individual and the same analogy can be given about the organization, that what is the core competence of the organization, okay? For example if you see that what is the core competence of the IIT's okay, or



what is the core competence of particular organization say Honda, you know the Honda is known for its engine, so engine is the strength of the company.

So they should try to exploit and develop this strength as much as possible so that they can capitalize on the systems and achieve success, so the idea is whether you are talking about individuals or organizations you need to develop the competence, and you need to create these core competencies for yourself which would help you to capitalize better performance right.

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### Core Competencies for the Learning Organization:

- Analytical skills, problem solving, decision making
- Communication skills
- Creativity, innovation
- Expertise and technical knowledge



Now, what is the core competencies for the learning organizations? Now when we are talking about core competencies of the learning organization we have to see that how organizations are going to be more, become a learning organization, okay. So organizations need to develop certain skills, how they make decisions, how problems are solved, how things are analyzed, right, how communication happens right, then whether there is a creativity innovation or not, okay whether they are creative or innovative or not. Then moving to the next one.

Whether they have the core competence in that, what is their strength, technical strength and the core area that is very, very important, say for Bosch, Bosch is an electrical engineering company so their strength is engineering technology, electrical technology, right. So that is where they expertise in the technical knowledge lies of this company Bosch, right, and it is known for it, correct? Say for example we say Apple, Apple has developed a competency or technology for which it is known, okay, the technology platform that they have developed.

Is different from other companies is there and that is why they are going to capitalize success and achieve companies advantage right, and they are trying to be more creative, innovative in their processes and systems okay, and what are the enablers, how they are going to analyze the skills of their people, how problems can be solved, how decisions are taken, how you communicate vertically and horizontally both, what kind of communication skills, communication network systems you have, so all these basically create competencies for the organization to become an learning organization okay.

And then whether they are flexible enough to creating a structure which is very, very flexible, how adapt to the challenges to the environment okay, and then finally it will come to the interpersonal skills that people have, because all of them actually contribute to us in an organization to become a learning organization. Now let this understanding of our core competencies is for individual as well as for learning organization.

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### Core Competencies (Con't):

- Leadership
- Organizational understanding and global thinking
- Ownership, accountability, dependability
- Planning and organizational skills
- Resource management ability
- Service attitude, user satisfactory

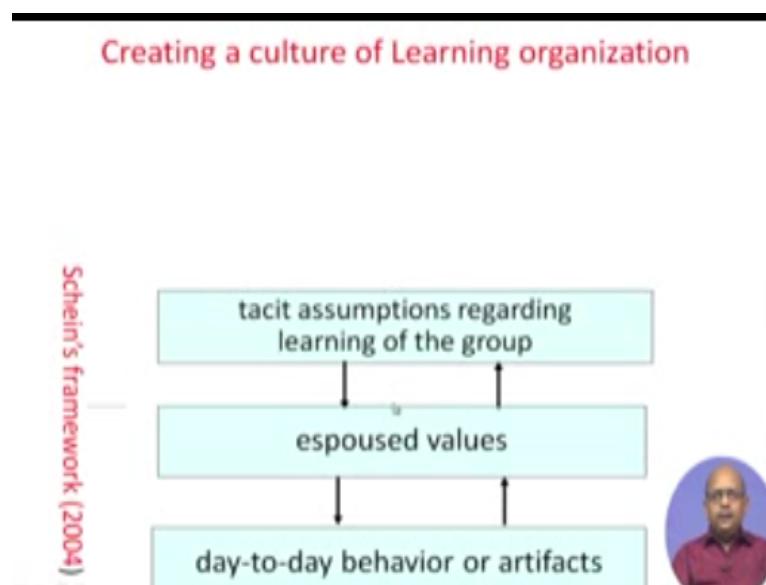


We try to look at some other issues related to core competencies okay, which could be the enablers, like leadership, understanding of the organization, what the, the way they thinks right, ownership accountability and dependability on other activities, on other organizations or things

because you know that you need to be dependent on the raw material for other things, other organizations.

Whether people feel accountable, whether they, the people develop a sense of ownership or not, if they are higher ownership probably they feel more accountable, right. So these are some of the competencies that people need to develop, and then whether they have good skills in terms of planning and organizing activities in the organization, okay, and then how they manage the resources, different kind of resources, maybe people, may be various other inputs that is there for used for processing, and what kind of attitude they have.

It means that they are simply offering a product or they have a service attitude where they are trying to set aside the customer at all costs, so whether one go for customer satisfaction or customer delight means that you make sure that through your activities you are able to offer production services through which the customers are happy and satisfied, okay.  
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Now one important thing that we have been discussing about this, how we are going to create a culture of learning organization? So you remember we talked about develop, having a planned culture and integral culture. Now another important, another form of that has been developed by Schein, and he said that you need to create a culture of learning organization in order to ensure that it continuously improves and innovates self, okay.

So first what is the tacit assumptions about the learning of the group? It means that what people think that how the group is learning and what kind of value system they have and how it is going to affect day to day behavior, whether there it has been translated in what they do on a regular basis or not. So this framework is being used to ensure the kind of culture that is there in the organization. So if we have a client culture probably you think, similarly try to follow the same kind of value system and we are going to apply it in the organization, right.

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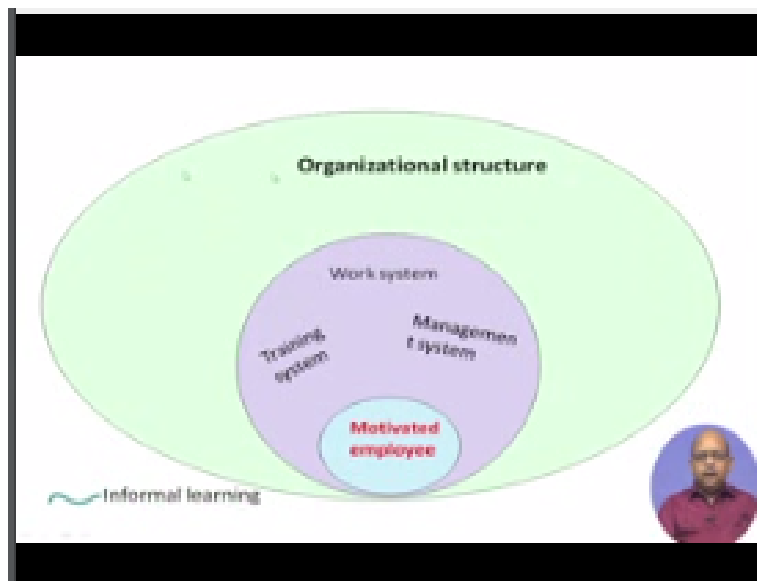


So you need to create learning culture, basically that is existence of a set of attitude, values and practices okay, which is going to support and encourage a continuous process of learning, okay. So if you remember we just we talked about client culture, integral culture, so if we are able to develop that kind of culture and we are able to transform a people and orient them to be like that, then probably we are going to have a very strong culture in the organization which would help you to facilitate in order to become a learning organization, right, so that is the idea of creating a learning organization.

So another thing that I told you that is you need to create all kind of learning systems that is formal or informal or whatever it is right. So you need to create these kind of systems and

processes right, and that is where HRD has a major role to play. Now that is not we are going to offer formal structure learning experiences, but you need to create systems in processes as structures in such a way so that even unplanned informal learning also happens in the organization, right. So look at this picture.

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So you need to create structures, so you make sure that this structure enables informal learning okay, whether you are in a formal work systems you have management or a training system which might be what everything implies, but if you are going to create a informal learning system to early that could be better, and it should make sure that the kind of structure that you have developed, okay.

And that is why I gave you the example of bureaucratic and organic culture from a mechanistic, when you are moving to an organic culture which is going to be much more flexible compared to a rigid one, okay, and which may allow, there is a possibility of going for a informal learning, because in a organic culture there is a possibility since you, like freedom, autonomy, people work in groups, okay.

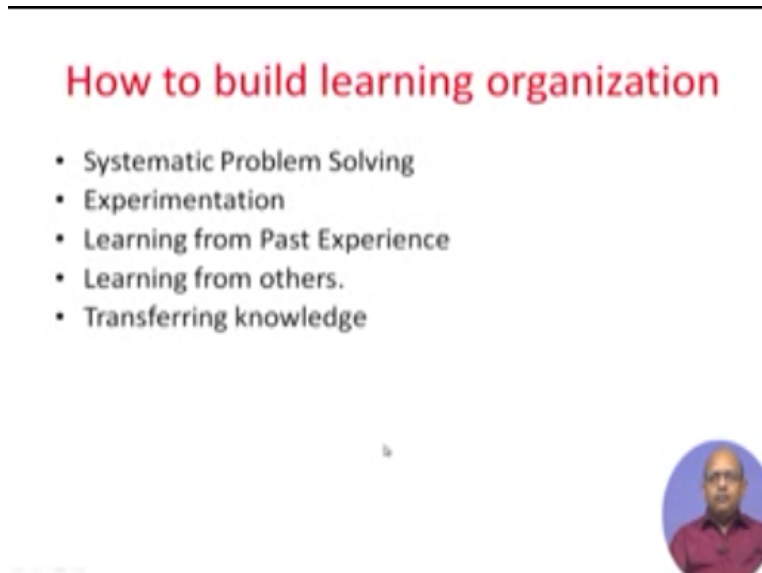
There is a flatter structure because the hierarchies have been removed, right. So people come closer to each other and they form more informal relationship, and the outcome is informal

learning for everyone and that is very unique to create and enabling a structure. So two things that is very, very important, anyway we talked about commitment to change, competencies and these kind of things.

In addition to that we also talked about leadership, that is required as enabler and structure and culture of these two more important enablers which should be created to make sure that not only formal learning takes place within the structures, but also informal learning happens, right. Moving further if you look at this, this is the part of what you call organizational learning culture. It means that this is informal learning, between structure and systems, systems and processes through the learning system and probably the idea is to encourage and motivate employees to be more creative and innovative in the process, right.


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**How to build learning organization**

- Systematic Problem Solving
- Experimentation
- Learning from Past Experience
- Learning from others.
- Transferring knowledge



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Moving further, now the thing is that how you are going to build a learning organization and that is very, very important, right. You remember where we talked about these kind of things, systematic problem solving experimentation, learning from past experiences, learning from others and transferring knowledge, right, so these are the five building blocks of creating a learning organization.

So we are going to further elaborate upon these points a little bit more on these points to explain that how we can go and build a learning organization, right, and then finally measure the outcome of this learning, right, so each is accompanied by a distinctive mindset tool kit and

pattern of behavior. So what we are going to discuss is very briefly about each of them separately.

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## SYSTEMATIC PROBLEM SOLVING

- Rely on scientific method for diagnosing problems “plan, do, check, act”
- Data
- Statistical analysis
  - Generating ideas and collecting information
  - Reaching consensus
  - Analyzing and displaying data
  - Planning actions



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So what is systematic problem solving? So this follows, a systematic process, you remember we talked about a ‘plan, do, check, and act.’ What does it mean? It means that you are going to diagnose a problem and then you decide what is to be done, and then you do it, then you evaluate, check it whether it is correct or not, and then you finally do it and to ensure that the things have been done.

So when we are talking about systematic problem solving it means that you have a road map, okay, for example if something goes wrong or suppose a machine is not working right, so once the machine is not working how you are going to fix the problem so that the machine starts working, okay? You try to find out the fact, what is the problem, let us do it the work, now when the machine is not working and you have to identify a problem to solve it.

There are two ways that you can do it, okay. Either there is systematic process that is available to you, a scientific methodology, there is a manual or guideline which will help you to check to identify the problem and then you are going to work it out, to solve it right, or if that is not available you are not able to find out then you go for experimentation. So what we are discussing is that how to do we go about a systematic problem solving.

It means that you have a SOPS, standard operating process to identify and check where the fault lies. So once you are able to identify then you decide what is to be done and then you go for it and do it right, and that is how we are able to solve the problem. So you look at the data that is available at your hand okay.

You go for some kind of analysis of the facts and then you generate idea, collect information, then decide to each to consistence and then analyze and display data and then you plan the action, right. It means that you follow a very systematic scientific methodology to solve the problem, right. Say for example, let us take another example, suppose you want to offer a new product in the market, so you are going for market research, okay, to have a feel of the consumers whether this is going to be a successful product or not, right.

So you are going to follow a standard operating process, you are going to look at how marketing research is done, so there is a standard operating process, okay, it means that first of all you have to see what are the variables which are going to influence consumers, so you are going to identify those variables, then you are going to develop a questionnaire, okay, then you are going to collect data right, then you are going to analyze the data and then you are going to interpret the data and based on that you find okay these are the preferences, these are the attitudes, these are the behaviors which would help you to facilitate in commercializing the product in a better way, okay.

And then accordingly you try to develop a product okay, which is going to meet the requirement of the consumers, right that is the planning, so adapt a very systematic process to solve the problem, right. I have given two examples internally and externally, how we go about systematic problem solving.

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## EXPERIMENTATION

- On-going programs
  - Series of small experiments
  - Steady flow of new ideas
  - Incentive system
  - Need managers and employees trained in evaluating and performing experiments



Experimentation okay, you need to more divergent thinking because there is no solution inside, there is a manual or guideline which is available to you, okay, so you experiment with new ideas, new systems, okay, and see whether it is going to work or not on a regular basis, okay. For those problems where you do not have a standard operating process, where you do not have fixed manuals and guidelines which is going to help you to solve the problems, right.

So we start with something that is very small, if you find success then you move ahead, try to do it on a larger basis right, and then you would make sure that incentive is embedded in system so that success is linked with the incentives, okay, and then allow managers to see that whether they are experiencing success as well as failures and what kind of access they are taking.

So on a practical basis if they feel experience success they are going to build up on it and if they experience failure then they are going to relook at the entire things and then they finally try to find it, when you are doing it right, so this is what we call as experimentation.

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## EXPERIMENTATION

- Demonstration Projects
  - First projects to embody principles and approaches company hopes to adopt on a larger scale
  - Establish policy guidelines and decision rules for later projects
  - Encounter severe tests of commitment from employees (testing rule change)
  - Limited impact on rest of organization (until implemented)



So as a part of experimentation right, for example that is given here related to the project, okay, so you have a project okay and you then you use certain principles and approaches okay, on larger scale. So you have policy guidelines, decision rules for later projects, that way once you are able to develop it okay, but you find that here there comes certain problems okay, and make sure that you have all the enablers that we have discussed about it, okay.

And then see what the impact of this project, if you experience success then you go ahead, otherwise not, and then otherwise you see that what otherwise are available for doing it, right, so experiment is very well, experimentation is a very, very good thing right, because it helps you to develop divergent attitude, divergent approaches to think about the problem, okay.

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## LEARNING FROM PAST EXPERIENCE

- Companies revive successes and failures.
- Assessment done systematically and in an open and accessible forum

“Those who cannot remember the past are condemned to repeat it”



And the third thing is learning from past experiences okay, companies receive success and failures okay, not necessary that everything that they do they are going to succeed okay, so whether you are going to accept both or not, because accepting success is easy but accepting failures are not good.

You may be surprised that there are lot of programs today are offered at the individual and the group level and I came across such one program which is known as accepting failures, how to accept failures in your life, for the individual as well as the organizers, right. So it is very, very important that you accept failures and see what are the problems and then what needs to be done in order to change or alter modify things so that next time you are going to experience success, right.

So experience is the best teacher, based on your experience you try to learn from your mistakes, okay, the errors that you have made and then you try to correct yourself and that is, and that gives you lot of incitement, how to go about it.

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## LEARNING FROM OTHERS

- "Most powerful insights come from looking outside ones immediate environment to gain a new perspective"
- SIS-Steal ideas shamelessly



Then learning from others that is important thing okay, that comes from, that is okay, by following others, okay. What is happening outside, how people are doing, what kind of processes they are adapting, so if you are going to a network you are going to develop good relationship, formal, informal relationship, not within the organization but outside also, probably that you get lot of feedback about the various happening that is there in their organization.


And then probably you can go for applying them in your case also, in your organization, and that is very, very important, okay. Like one example that is learning SIS, and you should all adopt this example in our life also, SIS, steal ideas shamelessly. From wherever you get an idea you try to use it for yourself, so it all depends whether you experience success or failures.

If you experience success it is good, otherwise you leave the idea, you do not work on it, but this is a statement that can be used for everybody. Then identify what are the systems and practices which are benchmarked because these benchmarked industry practices could be analyzed, adopted and implemented in your organization case also, okay, and that is how we are going to learn from others, and finally.

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## TRANSFERRING KNOWLEDGE

- Knowledge must be spread quickly and efficiently throughout the organization
- Maximum impact when shared broadly
  - Written reports
  - Oral reports
  - Site visits and tours
  - Personnel rotation programs
  - Standardization programs
  - Education and training programs



Transferring knowledge, whatever learning has happened, it must be applied in the context so that you are able to perform well, and that is very, very important, okay. So you look at and create documents, based on that you try to do it, right, and you share it, your reports verbally, non-verbally, okay. Now this proves to us, personal rotation programs, standardization programs, and for education and training.

And the idea is that to, it is better if you are able to create a knowledge manual system for sharing so that whatever balance is created okay, it is archived in the explicit word and then it is shared because they are using certain technology platforms, right.

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## MEASURING LEARNING

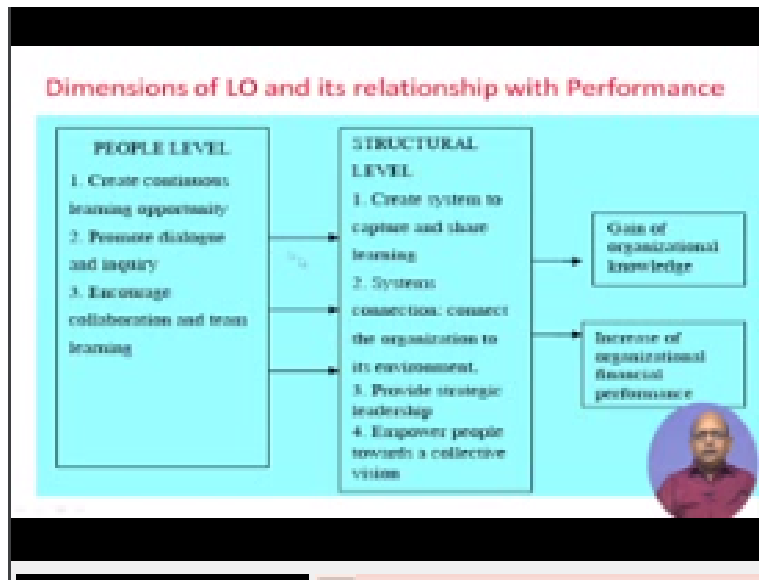
- “If you can’t measure it, you can’t manage it”
- Actual data comparison
- Learning or experience curves.
  - Incomplete measures, ignore other competitive variables, like quality, delivery or new product introductions



So that is how you are going to transfer knowledge. And finally you are going to measure the learning, right. If you are not able to measure it you cannot manage it, so see that what is the impact of all these activities. Whether you are able to become a learning organization or not, whether, whatever activities, systems and processes and enablers that you have adapted is able to help you to become a learning organization or not, okay.

Look at the data, look at your experiences, what happens okay, whether you are able to compete, whether you have been able to provide better quality product, whether you have been able to offer new products and services or not, so that is an indicator of, that yes you have been able to succeed and try to become, and have been, become a learning organization, okay.

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See how you are going to relate to a learning organization and with performance, okay, yes okay? So these are the enablers at the individual level, create learning opportunities on a continuous basis, promote direct interaction, good interaction, formal, informal relationship, go for collaboration and team learning. This would lead to what you call developing, at the organization level this is, these are the enablers.

Culture, learning process system, leadership, okay, and autonomy and feedback, so this provide the enablers, so this probably, if you think that yes, you are able to create knowledge base and whether it is going to help you to increase your revenue or performance. If that top is, is means yes, these balance of learning organization could be related with this one.

So we can say yes, that let the organizations are continuously able to perform and innovate in a better way, right. For examples of learning organization that can be given, okay.

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## Examples of Learning organizations

### Learning organizations must demonstrate

- Learning has an enterprise-wide role—involved in the executive team, creating solutions to business issues, and setting organizational strategy.
- Learning has value in the organization's culture—learning opportunities for employees, C-level involvement, learning for growth of the organization, and innovation.
- Learning links to individual and organizational performance—alignment with the business, efficiency, measurement of the effectiveness of learning, and success with non-training solutions for business needs.
- Investment is made in learning and performance initiatives.
- Many Indian companies like TCS, Tech Mahindra, HPCL, Tata Motors can be examples of LO.



Like that must demonstrate that yes, they have been able to solve problems, create, have been able to create solutions to business problems, right. Say they have been able to create opportunities for employees, okay. They have been able to involve people, there is groups of, development of the organization and they are starting innovative also, right. It is linked to individual and group performance, that is very, very important, and it is lined with business efficiency and measurement of effectiveness of learning, okay.

And that actually gives you a justification to invest, and make more investments in learning and performance activities. And many Indian companies like TCS, Tech Mahindra, HPCL Tata Motors, they could be examples of learning organizations. Thank you very much.