Managing Change in Organizations Prof. K. B. L. Srivastava Department of Humanities and Social Sciences Indian Institute of Technology, Kharagpur

Lecture – 33 Organizational Learning

So, in this session we are going to talk about another concept that is known as Organizational Learning and then we will see that how organizational learning is related to change. You remember before that we talked about innovation that how innovation can be linked with the change.

Now when we are talking about innovation and the role of innovation and change it is very important that we improve the capability of the people to innovate and this capability of the people to innovate comes from the learning and that is why we are going to focus in the next 2 sessions on how learning is going to be linked with the change.

I will start with organizational learning which is a process and then we move to the next part that is outcome which is known as learning organizations. So, the next 2 sessions basically next 2 to 3 sessions we will talking about learning and it is relationship with the change.

(Refer Slide Time: 01:23)



So, with this preamble we proceed further to discuss that how organizational learning is going to related with change. So, when we are talking about organizational learning we have to define it first that what is Organizational learning.

Now, if you look at the definition it says that organizational learning facilitates the development of new knowledge help in acquiring new insights which has the potential to influence the change and this is related to again organizational performance because any performance improvement effort is related to the change and that is why we go for a change.

So, when you are going for any kind of change in organization may be in a structure process system it depends upon how well people have the capability acquisition or intuition to take it and see that they are able to reach to the desired and the state that is the new paradigm or new setup or a new structure or new process.

Now, organizational learning is going to help in this process and that is what we are going to discuss here, that how organizational learning is going to help us in this process to ensure that it is going to be possible. Now, if you look at the role of learning is basically the learning by all the individuals in the organization right so and that is why it is more collective. So, the learning could happen at 3 level it could be happening at the individual level, where people are going to learn certain things through training and development interventions.

Now, in leaning an also take place at the group level, where you are going to be learning certain things in the group. For example, you are going to learn something about how to work effectively in a team and that is where certain interventions can be planted at the group level. Now when we are talking about organizational learning it is something different, then the individual and the group learning now in organizational learning what actually happens that we try to see that how everybody learns and what is the process through which they are able to develop the capacities among themselves which is going to influence the process of the change.

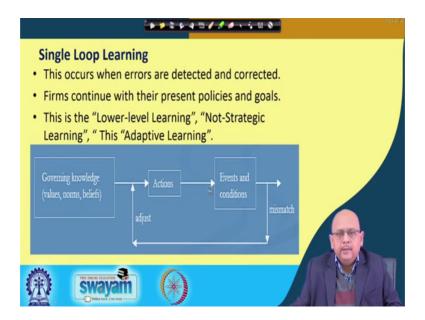
Now, if you look at the outcome of this organizational learning, so it results in knowledge because learning needs some kind of knowledge and this could be in form of certain explicit knowledge or it could be tacit knowledge.

So, the tacit knowledge is something that is a located with the people in their minds and this tacit knowledge is something that is not explicit express it in the sense that it is not documented. While we are talking about explicit knowledge this is something which is available in the form of rules manuals guidelines databases handbooks and this explicit knowledge is also an outcome of the learning that has happened among the people in an organization.

Similarly, people also learn a lot of things based on the insights intuition experiences which could be part of their tacit knowledge. Now this tacit knowledge is the most important thing or you can say event which takes place with the people and this is this remains with the people unless this tacit knowledge it transformed into some form of explicit knowledge.

Now the idea is that most of the organizations where the learning is happening through different interventions people develop both kind of knowledge tacit knowledge and it could be transformed into some form of explicit knowledge.

(Refer Slide Time: 05:15)



Now, when we are talking about organizational learning we also need to see that how it could be related with different type of learning right. So, here we talk about one kind of learning which is known as single loop learning there could be different kind of learning in fact.

(Refer Slide Time: 05:26)



Now, you can see here Single loop learning double loop learning and Triple loop learning. Now if you look at Single loop double loop and Triple loop learning you can see here what is single loop learning we will explain it further.

Now when we are talking about simple single loop learning what actually happens look at this it is related to what. In a single loop what happens we try to find out what we learn in terms of goals values beliefs concepts, which lead to actions strategies and techniques means, based on our knowledge we do certain things which result in certain outcomes consequences.

So, action leads to learning and this is what we call single loop learning ok. It is a most common form of learning in most of the problem solving this happens that you take certain actions based upon your knowledge and experience and then certain outcome is achieved right. But when we are talking about Double loop learning it is not only problem solving or it is not only results and outcomes, but how the feedback is coming from this to again this.

So, the results and consequences is again related to the governing variables your knowledge skill and experience, the conceptual framework that you have developed based on your knowledge a skill and experience. So, this feedback help into a strengthen your strategies your modified strategies make changing your strategy and actions which

might resulting better outcomes. So, let us see how these 3 forms of learning happen in organizational context.

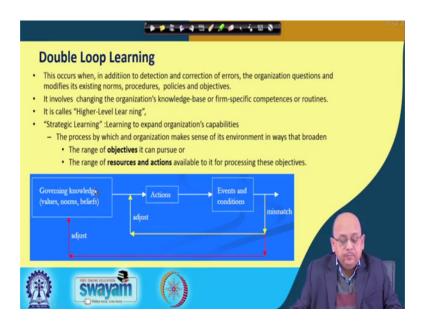
So, we start with single loop learning in single loop learning what happens to the values norms beliefs which is going to our governing knowledge and based on that we are going to say take certain actions and these actions lead to certain events and conditions ok. And if there is a mismatch then we try to make some corrections over this place it means we try to see that our actions and our knowledge they are matching or there is a better fit between our actions and our knowledge, because this knowledge is going to lead to certain actions and this actions lead to certain outcomes.

Now, if you look at the definition it means that you are able to detect error and then make corrections. For example, you find that your actions are not able to lead to desired outcome then you try to make certain corrections, based on your knowledge in your actions which might lead to better out come right. So, in this case what happens the errors are detected and you are try to make corrections it right.

So, if you look at firms though what most of the organizations to they try to make changes in their policies and goes based on their knowledge and experiences right. So, this is what we call a single loop learning. So, based on the learning firms try to make adjustments corrections in their policies goals and objectives which they want to achieve.

Now this is at the lowest level learning which is not a strategic this is adopted it means you try to adapt yourself depending upon the requirement and then you see that the kind of knowledge and skill that you have it is going to lead to certain actions which would result in certain desired outcomes. But if it does not happens you make certain changes are you try to go for some kind of adaptations ok. So, that it results in better outcome for you based on your actions you know.

(Refer Slide Time: 09:38)



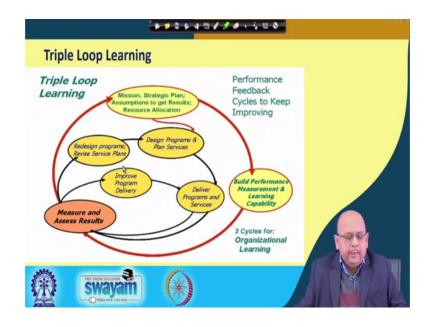
Now the single loop learning is something that is where you do not have any kind of feedback, so that it goes here and you are able to make certain corrections at this place and that is why we have double loop learning. In double loop learning it is not that you are going to make corrections only here, but if you look at it this mismatch whether you going to make corrections or make certain adjustments at this level, what you do you try to make adjustments at this level also.

You try to correct your knowledge and skill norms and values you are try to modify this also, so that it leads to desired actions right and then it would result in certain outcomes that is desirable right. So, this occurs when you are not going to have only detection in your errors, but also you try to modify your norms procedures policies objectives everything, so this is what we call double loop learning right. So, it involves a change in the knowledge base of the organization, so that firms develop specific competencies which are required by them to be effective and perform well.

So, the moment we are talking about change in the organizational knowledge base it depends upon the learning that happens among the individuals in an organization. So, based on this learning organization in people in organizations try to modify their knowledge base which is going to help them to lead to certain desired actions right. So, it is a next level of learning it is not lower level learning just like in single loop learning, but it is a more higher level learning right.

So, this is what we call a strategic learning also because, in this case organizations are able to learn what is required by them right and then they try to see that they are able to meet those objectives for which they have gone for a change and also see to it that resources and actions are available do it for processing these objectives.

It means that first the define the objectives which they want to pursue and then they also see whether resources and actions are available right. So, it is not only actions but also resource which is norms values beliefs basically the governing knowledge right. In single loop learning only objectives you pursue the objectives so you makes adjustments here and here in double loop learning you also make adjustments over here.



(Refer Slide Time: 12:11)

Moving to what Triple loop learning if you look at this it is something different it is more cyclical in nature right. So, if you look at this see how it proceeds first of all you decide about the mission strategic plan ok, the goals and objectives that you want to achieves then the resources that you have right, this would lead to what you also try to see that what is a how we are going to measure of measure of performance and it is based on your learning capability right. Then based on this you are getting certain outcomes, so this is action part and this is the results and consequences parts measures and assess the results.

Based on this then again you try to modify. So, it is more cyclical process one important thing here in triple loop learning is that you also try to use feedback at every stage at this

stage, at this stage and at this stage and this feedback comes from this if you look at it see how it is moving ok. So, it based on the measures and results you try to redesign your programs services right, you try to improve your delivery you try to deliver program and services which could be more important more productive more effective right.

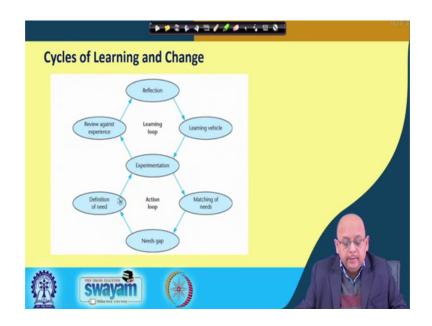
So, if you look at triple loop learning it means that you are not going to get feedback at this and this place, but based on the results again you try to improve this at the third level and that is why performance feedback cycle is included in this process right and that is why we call it triple loop learning. But most of the organizations usually go for this double loop learning, they do not use this feedback modified and then again use it, but they only try to make some adjustments over here in the knowledge which might lead to desired actions.

But if you look at this triple loop learning what should happen actually that based on this you also need to modify at this level also and based on the feedback that you are getting in terms of outcomes.

Then you try to modify your actions and your this one, but the feedback is coming only if there is a mismatch and you find that knowledge does not lead to desired actions and in desired actions does not lead to desired outcomes and that is why triple loop learning become more say meaningful in the sense that use of this performance feedback cycle is included in the process.

Now, after discussing a different type of learning that happens in the context of the organization that we have just talked about like single loop double loop and triple loop learning.

(Refer Slide Time: 15:01)



Let us see actually what happens in learning loop this is the cycle of learning and which could be linked with the change and this is the learning loop right, which is related to see how it happens and this is the action loop. So, it means that based on this action the learning happens right.

Now if you look at this it is related to say Reflection, reflection leads to learning vehicles how you learn this base this is based upon experimentation and based on this you go for review and review or your performance of see what happens and this is cyclical process that goes on.

But base this experimentation you also try to say that whether you are able to meet the needs of and the requirements of the people and the organization or not because this is the Action loop. So, whether your learning which is based on reflection and experimentation is able to help you to bring about the required change which need a which requires basically sudden actions, so that you are able to bridge the gap between what you call the current state and the desired state right.

So, you try to see that what kind of activities that you are going to perform in order to match that and for that first of all what you do in any change management program you to find the need go for experimentation, see whether it is matching the requirement or not and then identify the gap and based on this you take certain actions which might lead to fulfilling these gaps and this is based upon the learning loop and that is why this learning

loop that we have just talked about like single loop double loop and triple loop could be useful to ensure that how you this learning leads to certain actions which would be able to fulfill your requirements for the change and how this learning could be used to ensure that your change needs are identified match and fulfilled.

Stage		Task/activity	Process	
l Thinking	Beginnings	Diagnosis Feasibility studies Brainstorming Communication of concerns Problem recognition Establish steering group	Getting started	
Z Addressing	Focusing	Task forces Training Buying in new skills Building support Building coalitions 'Pilot' trials	Building capability	
3 Doing	Inclusion Cascading Rolling out	Creating change Champions Proposals for change New structures and skills Team building Rewards and recognition Sell change Publicize success	Building and sustaining change	

(Refer Slide Time: 17:10)

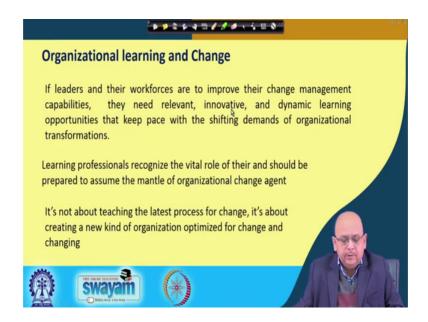
Now, moving further if you look at this what we do basically that how learning could be related with the change. So, the first stage is the thinking stage it is the beginning stage. So, what are the different kind of activities that you do, you go for diagnosing the change you try to see whether it is possible or not you go for brainstorming you communicative concerns with the top management you are identify the problem and you have a steering group which is responsible for managing the change in their organization.

So, this is the first part where you go for starting the process of bringing about a change in the organization. So, you need to ensure the that whether these activities that is to be performed and the kind of learning that is required in terms of the capacity of the people which happens through learning and resulting in some kind of thinking is available to the people or not. So, this thinking might lead to these activities then moving to the second part it means, now once you have established in the task force you have communicated the concerns brainstormed it that what could be the desired in the state what kind of change you want to bring out after doing all these activities. The next stage you try to address this issues by focusing on these things like task forces training looking at what kind of a skills would be required getting support from the top management I will also the people right. Then building coalitions among the people across verticals and horizontals and then you go for testing it whether it is going to be successful or not.

So, the idea here is that you try to build capabilities here and that is where learning is going to be important and then the third stage actually you implement the change, it means you try to see that how the change happens. So, you go for change you identify champions who are going to advocate for the change, see what are the proposals for the change what kind of structure team reward right.

All these things would be required this stage is basically related to the process which is called building and sustaining change. So, now you can see that how we are able to relate learning with the change that the different stages or different stages, we can said the beginning stage the focus stage and ultimately at the doing stage right.

(Refer Slide Time: 19:43)



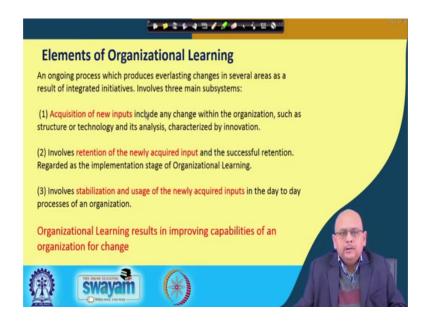
Now, moving further when we are talking about learning and change we have to see that how it happens, so what is the process ok. So, any kind of improvements that you want to bring through change management is possible only people are capable enough. So, one thing that you need to ensure that your leaders and work force has the capability to improve their change management efforts right and for that what they require relevant innovative and dynamic learning opportunities because, this is going to be related with any kind of improvement that change management is going to bring. So, if you really want to develop change capabilities among the people you need to ensure that their learning is relevant it is dynamic it means that keep on changing depending upon the requirement on the change, so that they can keep pace with the demands of the transformation.

So, when you go for any kind of transformational change in the organization people keep on having relevant knowledge and skill base. So, that they are able to improve the performance of the organizations through change management capabilities. So, change management capability is nothing else but they skills that is needed to bring about the change and this skill come from where from the training and other interventions.

So, in on the learning you can say and then you need to ensure that leaders and work force have those capabilities to go for it. So, learning professionals have a very important role here especially training and development professionals to ensure that people are able to develop those capabilities and that is where they need to train the change agents to ensure that they have those capabilities through which they are able to carry out any kind of change successfully right.

See it is not related to talk about the processes of the change, but it is about what kind of organization they are looking forward, so what kind of change they are looking forward to and what whether they have those capabilities to bring about the change or not and that is where we are trying to relate organizational learning with the change process.

(Refer Slide Time: 21:59)



Moving further we will also discuss about what are the different kind of elements of learning. So, when you are talking about organizational learning since ongoing process people keep on learning and organizations also learn. So, some of individual learning could be said to be what we call organizational learning.

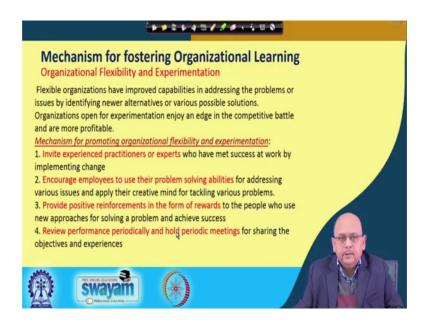
So, if every people in the organizational learning so and if you sum it up it becomes the organizational learning right. So, we are moving from individual learning to what you call an organizational learning and organizations also continuously learn try to improve their knowledge and skill base which is nothing else, but the sum of knowledge and skill base of all the individuals who are part of the organizations and how this learning happens in the case of organization is improving their capabilities of their people and this happens through getting new inputs ok.

For example any kind of change that happens in the organizations change to structure technology or anything is characterized by innovations it means you must get certain inputs. So, that you can think about how bring about a change because, if you want to bring about a change in the technology it is a new technology and improved technology and that is possible only through innovations.

We are not thinking about restructuring organizations, but if you do not know what are the different kind of structure and what kind of structure would be appropriate then it will very difficult for you to design your organization and that is where Acquisition of new inputs are very important. Then retention of these inputs the knowledge and skill based that is required by the people must be retained by them ok.

So, that they are able to make use of that they can implement those learning's for bringing about a change and the third is stabilization and usage of the newly acquired inputs. It means that the new learning that has happened with the people stage with them it gets institutionalized and so that they are able to make use of it for different process of the organization. So, the idea here is that any kind of organizational learning is going to help you to improve the capabilities for change right.

(Refer Slide Time: 24:15)



And how we foster organizational learning how you improve by addressing the problems or issues by identifying newer alternatives or other possible solutions. Organizations must be flexible enough and this should be open for a innovation experimentation, because if that flexible and open for experimentation then it is going to provide you some at is advantage when it comes to learning right.

So, how organizations promote flexibility and experimentation using experts because, these experts are successful in their domain or implementing change right. Allowing or providing opportunities to employees to use their knowledge and skill base to solve problems and that is based only when employees are using their problem solving abilities and it is possible only if they have learned and have developed a creative mind then linking it with a reward.

So, people who are using new approaches to solve the problem and get success must be linked with the reward and finally we need to review performance on a periodical basis to see that whether we are able to achieve objectives and experiences which was required through flexibility and experimentation. So, flexibility and experimentation provides you an avenue for learning.

(Refer Slide Time: 25:51)



Then another way to look at is that establishing a Temporary systems, temporary systems means when you go for any kind of change right it involve certain decisions. Now, you are going to setup certain say change teams or (Refer Time: 26:05) teams or groups which is responsible for the change and this is what we know as temporary systems.

You need to ensure this temporary systems have people from different backgrounds they could be a cross functional teams from different departments right. Similarly they have a time bound objective which means that the temporary systems which is going to work on many kind of project related to change management they need to achieve the desired change within a given time frame right.

And you also need to ensure that it is able to facilitate objective oriented approaches, it means that the this project management team or what you call the temporary systems that have been developed it is able to address the problems of different kind of problems, which may be they are related to change management like how they are going to get involvement of the people how they are going to ensure that people are not going to

resist how they are going to sets resource get resources from the top management and commitment from the resources.

So, they have to facilitate all these issues related to any kind of change management. Then they also encourage risk orientation and independent outlook to see that how we can solve issues really achieve the change management any problem that make might come up which could simple or complex.

Then you also need to develop a flexible framework which can be created or dissolved depending upon the requirement, it means these that temporary systems are going to be dissolved once the change management is implemented successfully gets institutionalized because that is not required now.

(Refer Slide Time: 27:46)



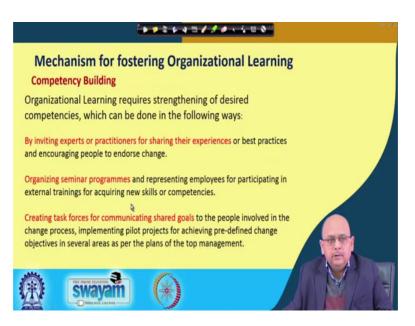
Moving further we also had 2 different kind 2 kind of learning a Contingency plan and Incremental plan, Contingency plan it depends whether organizations are prepared to bring about the change or not right. So, you when an incremental plan means continuously you prepare yourself to go for some kind of change and that becomes a regular process in the organization right.

Now, when we are talking about whether it is whether you going to have a contingency plan and incremental plan it depends upon what kind of plan you have. Whether it is Contingent, contingent means there is a depending upon the requirement right, then this learning is going to help you that what kind of initiatives would be required with the process or practices of the change management, then you also need to record the learning from the experiences that you get.

So, that you have it in some explicit form which could be used by others for the next kind of change the next incremental change and you are since you have created task forces you try to identify what are the different approaches and solutions which could be used for implementing a change.

So, you need to develop some kind of plan depending upon the requirement or a regular plan which is known as incremental plan, to ensure that you are able to bring about change successfully and then you have to see that how learning is going to help you in the process right.

(Refer Slide Time: 29:16)



So, this is related to contingency plan next is competency building, because this is very important. See any kind of change management initiative depends upon the competency of the organization and competency of the organization is nothing else, but that collective learning of the people in an organization right.

So, this collective learning is nothing else but the competencies of the people in the organization and these competency of the people is an outcome of the learning that takes

place within the organization, through different activities the job that they do experiences that they share intuitions that they have.

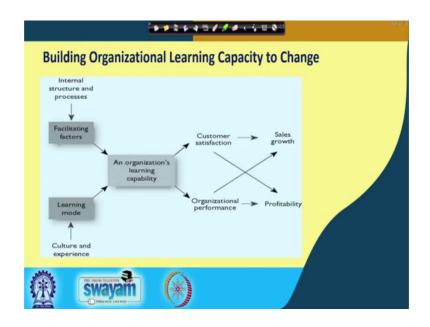
So, based on this the learning happens which is going to a strengthen there competencies and this competencies can be further strengthened when you invite experts or practitioners to share their experiences or best practices and this will also help you to endorse changes that you want to bring about or you can also go for seminars workshops conferences where people are going to participate to acquire new skills and competencies right.

So, these are the ways through which competencies can be built among the members of the organization and that is how they would be able to build up their competencies and then creating task forces also for communicating shared goals and then you also have in this specially in the change process those who are involved ok.

They are suppose to communicate goals that this is what we want to achieve this is where we are and this is our objective as per the requirements of the change management. But you also ensure that it is getting the approval and as per plan of the top management, so that you get the support and commitment of the top management also.

So, we discussed about different mechanism for fostering learning like competency building contingency plan right and other kind of initiatives that is required for fostering learning.

(Refer Slide Time: 31:26)

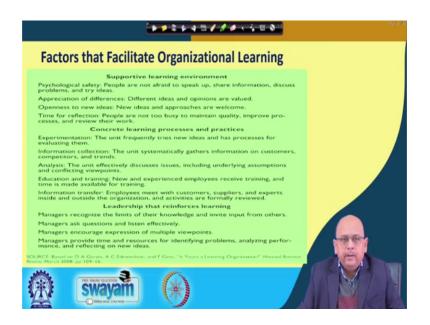


So, now you can see that how an organizations learning capability improves which results in better customer satisfaction organizational performance right. So, you need to identify your internal structure and processes, so you need to identify facilitating factors culture support from the top management structure these could facilitating factors then learning modes the culture and experience of the people.

So, this is going to help you to develop the capability of the organizations right, capability mean the learning capability and if they are capable enough and they are able to build their competence it would result in better customer satisfaction organizational performance and it would certainly lead to results and consequences what is known as say better sales growth or Profitability's.

So, these are the indicators of performance. So, now you can see that how if you are able to build up organization learning, it increases the capacity to the change in terms of better performance and there could be other indicators that could use for the organization to ensure that how it happens.

(Refer Slide Time: 32:38)



Moving further we have to identify what are the different kind of factors which facilitate learning ok. So, that is 3 important fact that I would like to discuss here is Supportive learning environment right. So, you need to ensure that there is a supportive learning environment, it means that yes you are able to provide safety so that people are not anxious about it there could be differences.

So, you need to different appreciate differences similarly you all you should be open to new ideas and you allow people to reflect upon it what is happening right. Then concrete learning process and practice to ensure that when these organizational learning happens, it happens through experimentation information collection analysis education training and information sharing.

So, all these tools and techniques could be used as I discussed earlier also, that there is a mechanism for to foster organizational learning. So, these are the mechanism through which you can foster organizational learning, then you need to ensure that you have leadership which is going to be very supportive right and then the learning is to be reinforce it mean reinforce in the sense that if people are using this learning for better performance they must be recognized and rewarded for that right.

So, you need to ensure that managers recognize this and encourage expression of multiple viewpoints they provide time and resources for all these activities. So, what we have discussed earlier basically in if you look at in some form these are the 3 important

points Supportive learning environment, Creating learning processes and Leadership these are the 3 important factors which is going to facilitate organizational learning.

(Refer Slide Time: 34:22)



Now, moving further why we go for it, so the focus is on what innovation and change. As I told you earlier also when you have talking about innovation and change I told you that the objective of a learning is to bring about an innovation which results in some kind of change for the organization may be in a structure product technology process whatever it is right.

So, here the idea is that why want to go for these kind of things, why want to bring about a change in your product services processes, so that you can get some kind of competitive advantage right. How by adopting new ideas or behavior and that is what we call innovation right. Then and it could be in form of new product new services and new technologies that we have already talked about.

So, either you go for a incremental change or that you go for revolutionary changes which is going to be more transformational radical change, where you go for a quantum leaps right. You bring about a different kind of technology altogether talk about a different kind of structure altogether.

For example, suppose you are having a functionalized structure. Now, you want to move to a mutual organization which could be a quantum leap for you right. However, going to do you that is to be looked into, but basically the idea of this learning helps you to innovate and bring about successful change in the product process or technology, so that you are able to compete that is one of the objectives of learning.

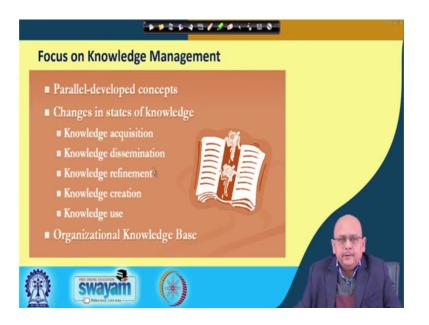
(Refer Slide Time: 36:03)



Moving further another objective could be going for continues improvement in your product and processes and services everything. So, you try to improve your processes you try to bring about improve your quality and that is why the total quality moment comes in, where you are trying to see that how we are able to bring about quality in all aspects of organizational behavior life, not only in products, but processes people and all other activities then how are able to adapt and transforms.

So, through this continuous improvement we are able to bring about successful change in your processes and that is what we call gradual evolution, this is related to what you call incremental changes. But only weakness of this kind of approach is it has a creative insights limited creative insights, it means that since you are going for incremental changes you do not look at long term goals and objectives right.

(Refer Slide Time: 37:04)



Then the next the focus is on knowledge management, basically this is one of the important aspect of organizational learning because organizational learning helps you to build their knowledge both explicit knowledge and these are the various stages through which knowledge management systems could be developed in the organization, to ensure that how knowledge is acquired disseminated along to the people ok.

How refine the existing knowledge how you create new knowledge, how you make use of knowledge and for that you also need to have a knowledge management system in the organization, which could be have an platform through which you are going to conduct all these activities related to knowledge management right.

So now, what we have seen that how organizational learning is move to facilitate innovation continuous improvement and developing a knowledge management system, so that whatever learning has happened does not remain tacit only, but it becomes more explicit which could be used by the people in the organization right so.

Thank you very much.