Managing Change in Organizations
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Lecture – 35
Learning Organization and Change (Contd.)

So, welcome back to the 7th week lecture and this is the last lecture in continuation of my previous lecture, where I was talking about the relationship between Learning Organization and Change. And where I had discussed about the learning organizations and its characteristics basically we talked about 5 major characteristics which include systems thinking, personal mastery, mental models, shared vision and team learning.

So, with the help of these 5 characteristics Peter Senge that an organization can become an learning organization and when we talk about learning organization I try to relate with the change. The basic idea is that change cannot happen unless you go for innovations and bring about a change in your product processes and services. And learning organizations can be defined as those organizations who continuously improve and innovate to bring about a change in their product processes and services. So, with this a definition of learning organization and we try to relate with the change, we try to see that how we go about developing creating and building a learning organization.

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Creating a Learning Organization for change

- All employees across rank and file must establish a commitment to change for brining 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.

Now, when we say that we need to create a learning organization for change, it means you need to see that everybody all the employees in the organization irrespective of where they work, where they work means at what level in rank and file. Rank and file means the hierarchy in which they work should be committed to change, so that they can bring about the change for improvement of the organization.

It means that everybody all employee must think about bringing about change and improvement in the organization, because change is the only way through which you can bring about a change a improvement in the organization. And you should also ensure that the boundaries that is there among the people in terms of people working various departments are not going to work here, because if you are going to limit yourself to your department you will not be able to develop a shared vision.
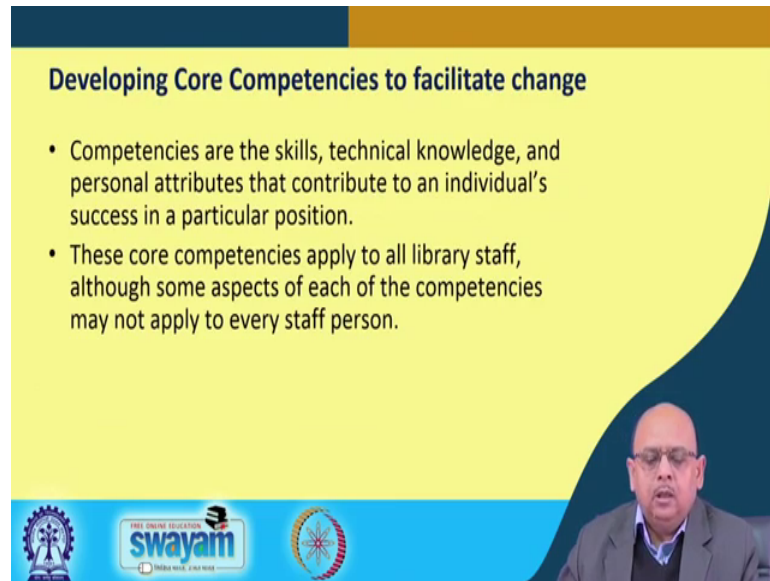
So, when I am talking about founder former boundaries this could be stated in terms of whether you are going for coordination and linkage among various departments and various levels of the hierarchy. So, that need to be eliminated so it means that everybody has to work as a part of the team they should go for having a shared vision and only then you can accept change.

So, the second point basically talks about eliminating formal boundaries across people that is across departments and across levels. The third point is that they should also develop a culture a very strong culture of openness and growth, it means that they must share the information they must share their learning they must share their knowledge with each other. And if they are not able to share, it means that they are blocking certain things it means that the information that is with 1 person or the knowledge that is with 1 person cannot be used and utilized by the another person.

So, it is very very important that you need to develop a culture of openness. So, that people are able to collaborate with each other and it is possible only when people have great trust on each other. So, the culture or openness and trust is very very important for the growth of the organization. So, you need to ensure that employees are open to experiences they learn from each other, they collaborate with each other, they trust each other and if this happens probably you would be able to see that the employees collectively face the challenges which is coming from the environment.

So, these are the 3 important points and these are basically enablers you can say, it means there should be a commitment on change and then you need to see that the boundaries are not going to work as a obstacle hindrance and you also need to see that you are able to develop a culture of openness and collaboration with trust matters, so that people together are able to work for it.

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Now, moving further when we are talking about how to develop core competencies because, the basic theme behind learning organization is that people are having the knowledge and that comes from the learning. So, this learning is an outcome of as I told you organization learning. So, through the process of organizational learning people are able to develop their competence that is knowledge and skill and this competence is the only you can say source of competitor advantage which can facilitate change.

So, you need to ensure that people are able to develop their skill their knowledge the experiences right and then you have to see that how it is going to happen. Though we are talking about competencies as skill knowledge and experience which is going to contribute to the growth and success of the people. But the more important thing is that you need to ensure that how we can facilitate to ensure that people are able to develop the required and relevant competencies. It is possible only when you go through the process of organization learning as we have discussed in one of the previous lectures.

So, through this process of learning only you can develop these competencies. Where learning comes through interventions like training, experiences, development activities right and through this you can help people to develop their competencies. And then in one case when it was applied in a educational setup to library staff it was found that library staff was able to make use of some of these competencies, but it was they were not able to apply it to all of them.

So, you need to ensure that when people are able to develop competencies you are able to make use of that to contribute to the performance and success of the organization. In this case what actually happened that the library was moving for digitization. So they were given learning opportunities so that they could develop competencies to bring about digitization, but most of the employees had gone for it. But similarly some of the employees were not able to develop those skills and that was the reason that they were not able to contribute to this digitization process.

So, what I am trying to say that you need to see that when you want to facilitate change you must ensure that relevant competencies are developed among the people. In this case digitization could be considered as a change right, so and the library staff are supposed to bring out this digitization and then they went for training and development interventions to develop those core competencies which were required by them.

So, relating a learning organization is very very important and for that the first thing that you need to ensure is that people have those relevant competencies which is required by them in order to ensure that they are able to contribute to bring about successful change.

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Now, we talked about learning organization and we also talked about core competencies. Now let us see what are the core competencies which is required by the learning organization, it means that learning organizations require certain core competencies which could be different compared to other organizations because, learning organizations are supposed to go for continuous improvement and innovations to successfully bring about a change in the product processes technology and services.

So, the moment we say that you need to be a learning organization, it means that you must need to ensure that the organization and it is people develop those competencies. So, we will take up that competencies one by one and see that what are those competencies which would be required by the people if they are going to be part of the learning organization.

So, the first skill is that they must be able to analyze things situations savings they would they should be able to solve problems and also they should be able to take decisions. So, this is the most critical ability you can say that people should have if you they want to become a part of the learning organization, because learning organization people always think about bringing about change, bringing about continuous improvement, bringing about innovation and that is possible only if you have these capabilities because problem solving decision making and analytical skills could be related with continuous

improvement you cannot bring improvement and innovation unless you have these cases with you.

Moving next is communication this is another important skill, it means you should be able to communicate with your peers, your seniors, your colleagues and that is how you are going to share you information and knowledge and also communicate your idea what you want to do how you want to go about it. So, for all this you also need to develop your communication skills, in we have already talked about communication skills that how communication skill is important for change and what are the strategies that we need to bought need to develop especially related to communicational skill.

Another important factor since learning organizations are concerned with improvement and innovation you need to ensure that people go through this process of what you call creativity.

It means that they must be creative enough, it means you need to develop the capability in them so that they become creative. It means that they are able to bring out some ideas test an experiment those ideas, see whether these ideas are going to work for the benefit of the organization and whether these ideas are the processes through which they are trying to be creative bring about some kind of change or improvement that is what you call innovation or not.

So, creativity is the another important competence among the people which is required for the learning organization because, creativity as a process is going to contribute to innovation which is considered as a product. Now moving further the most basic essential requirement is having the knowledge in their own domain, it means that expertise and the technical knowledge in the field in which the people are working. So, this is something that is the basic requirement for the individuals.

So, you must ensure that people have sufficient relevant out updated knowledge in that field, then moving to the next part that is flexibility and adaptability. It means this talks about the attitude so they must have even flexible approach they should be able to adapt themselves to the changes that is required. It means that, any change that is being introduced they should be able to adapt to it and at the same time they should be flexible enough to understand what is required and accordingly change themselves.

So, this flexibility and adaptability is very important because, if you are not flexible it would be very difficult for you to adapt to the changes or the environment. And if you are not flexible and adaptable then you cannot be creative right, so which is very very important to have these capabilities with them. Then another important factor is related to interpersonal and group skills.

You need to ensure that people have good relationship skills, so that they can have good relationship with people. So, interpersonal skills are very very important, how you communicate, how you relate, how you interact with the people what kind of relationship you build and whether you can work in a team or not that is also very very important. So, group skills means that you should be able to work effectively as a member of a team. Then leadership you should also have the capability to lead to exert influence on other people to initiate certain things to guide people who require in some kind of guidance. So, these kind of abilities are also required among the people if they were to be a part of the learning organization.

Then they should understand about the organization, when we talk about organization understanding it means that they should be able to understand the business of the organization, how organization is progressing, in what direction it is moving, what is the vision and understanding and where does it stand globally right because today you are going to operate in a global environment.

So, it is very very important for individuals to understand the business of the organization and it is environment in which it is operating. The next point is ownership accountability and adaptability dependability, so what I mean to say here is that you should take the ownership responsibility and accountability.

So, make sure that people are able to take responsibility they should feel that yes they are responsible for this activity and they should be dependable it means management or the leader can depend on them for the activities. So, if you look at these skills some of them could be related to say individual traits some of them related to personality traits, some of them could be related to attitude and behavior. And some of them are related to interpersonal skills like communication intrapersonal skills leadership all this is related to interpersonal domain and then some of them are related to what you call the technical

domain like having expertise and technical knowledge analytical skills problem solving and decision making.

So, all these kind of competencies which could be defined as General competencies, Technical competencies or Functional competencies and them managerial competencies. So, all these 3 type of competencies would be required by the managers, if they want to be a part of the learning organization and only then you can think that the organization is going to be more creative it would move to better innovations continuous improvement and these kind of things right. And then they should be able to plan and organize activities that is also very very important especially for the leadership because they are responsible for these kind of activities.

Then how you are going to manage resources? Because you need to ensure that whatever resource is at the disposal of the organization is optimally utilized. So, top managers need to ensure that how resources are being managed effectively by the people in the organization ok. Because that is where you are going to increase the productivity layer because it all when you define productivity you say output by input. So, you need to see that how you are going to use less input to produce more output and that is when you become more productive and it depends upon your resource optimization. So, better utilization of resources then you should be having a attitude to serve right not nothing like else.

So, it means you need to ensure that you think that yes you are going to provide some kind of service to the organization and need to ensure that people who are using these services are satisfying this and if that happens probably you develop the mindset to serve other people though your knowledge and skill or competencies so that organization will grows.

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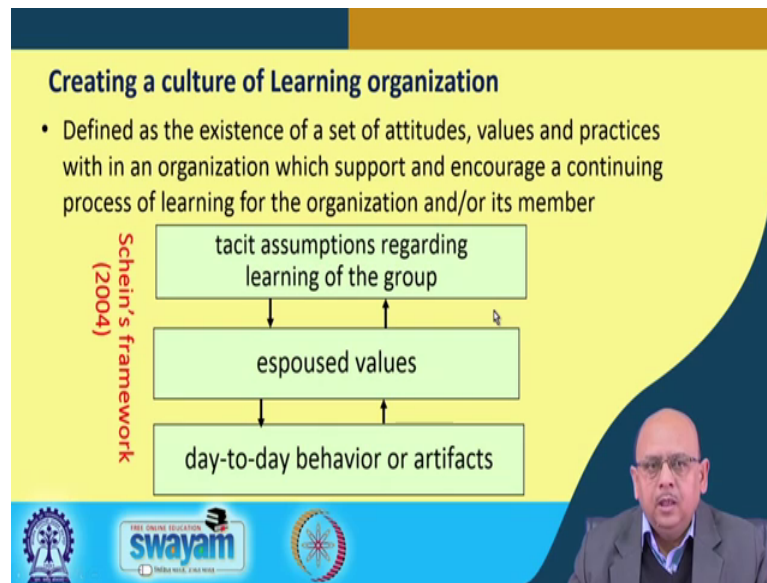
So, based on this the one important thing that we have talked about is that you have to develop the culture of learning organization, it means that where people are really involved in continuous improvement and innovation. Now, how this culture of learning organizations created, it depends upon what? The implicit assumptions is are the tacit assumptions that you have about the learning I mean how people are learning what they are learning and then what kind of values they espouse? That is very very important.
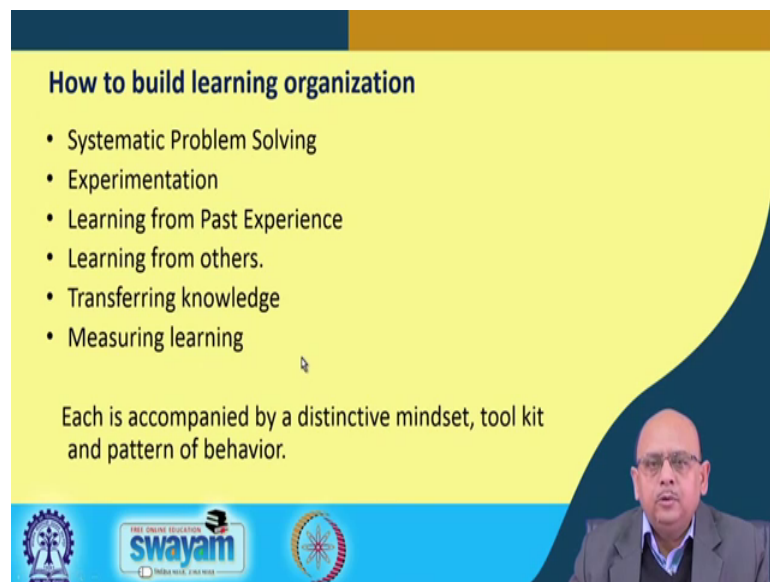
The learning and values both are interrelated as you can see that learning leads to espouse values and values also decide the kind of learning that is going to happen and based on this your behavior or artifacts is going to be decided. When I talk about day to day artifacts it is that how you work how this culture is going to decide about your working, whether you are going to take risk, whether you are going to be open, whether you share information about each other. So, all these are the basically the artifacts or day to day behavior which you could relate with the culture of the organization.

So, it is very very important for management to ensure that they are able to develop the culture of openness and risk where people are able to collaborate whether people trust each other whether they are allowed to take some risks or encourage to take risk and our reward is also linked with the performance. So, if these kind of values are followed by the organization then it is going to felicitate learning among the people and if you are

able to develop this kind of culture among the people then continuous people can think about how to make use of this learning for continuous improvement.

So, you that is what you need to ensure here is that you are able to create a culture of learning organization. So, when you try to see what is the basically the culture of learning organization which is defined as a set of attitude values and practices which support and encourage continuous process of learning right and this continuous process of learning must be related with continuous improvement. So, you need to ensure that there is some kind of linkage between learning and innovation and if you go you create a culture of learning then it must be related with innovation.

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Moving further we will talk about how to build a learning organization, it means what we have talked earlier was that how to create a learning organization right and what is the role of the culture and what kind of competencies will be required in order to become a learning organization right. Now in order to build a learning organization the organization should follow these practices, part of that we have talked about here again we are going to discuss it detail and this include systematic problem solving, experimentation, learning from past experience and learning from others and transferring knowledge and measuring knowledge.

So, these are the 6 activities through which an organization can become a learning organization. Now we will discuss it in detail about these points that how it is related to

learning organization, because each of this actually is related to kind of mindset tool kit and pattern of behavior, because you need to ensure that whether people are really engaged in systematic problem solving or not.

Whether people are really going for experimentation or not whether people are really learning from past experiences from others whether they are able to make use of knowledge to do something that is productive that is transferring their knowledge and how you are going to measure the outcome of the learning. Whether it is really something is happening on the front of innovation and improvement. So, if this is there then you would be able to say that yes these activities can lead to an organization become a learning organization right.

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Now, if you look at these points briefly when we talk about scientific problem solving what does it means? It means you have a various recurring scientific approach to solve problems. And the approach that is adapted is like this plan do check this is a very common approach which is adapted, first you need to plan then you do and then see whether you have done it or not check and then you again act.

So, this kind of say approach is adapted to ensure that you are able to solve the problem and then what is required the data and then you analyze the data think and then once you analyze the data using certain statistical tools and techniques, you will be able to identify whether these ideas and the information that you have collected could be useful or not

right and this is possible once you are able to analyze the data and based on this then you can take certain actions.
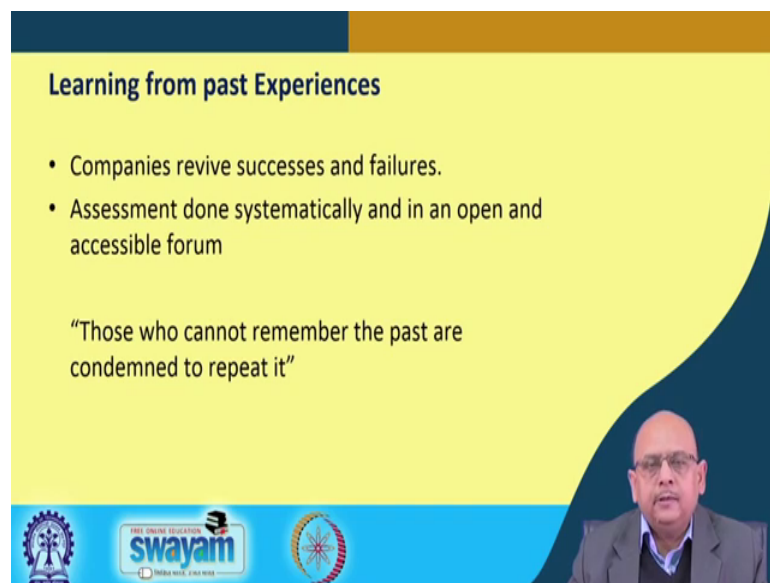
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Moving further to the next part that is experimentation; experimentation is something that needs to be continuously carried out by the organization right, so it is a ongoing process programs ok. So, you keep on doing certain experiments and with the ideas that is coming with you and then it must be related with the incentives. It means that if you some experiment and you are successful you must be rewarded for it and then you also need to ensure that people are trained in evaluating and performing experiments. Experiments related to what? Related to see that what kind of changes we need to bring in terms of technology in terms of process right in terms of services ok.

So, supposed you are offering certain services and you want to go for a new service. So, you experiment with it whether this kind of experiment is possible or not and then this kind of field experiment can be carried out with the new idea. So, you test that new idea in the field with some people and see whether it is going to successful or not and if that is successful then you proceed further right. So, yes it is very very important to test and go for experimentation, second is you must have the capability to see that how projects are being carried out. So, demonstrating projects that is another important characteristic related to what you call experimentation.

Here you see that how you are going to start any project which is going to lead to company, bringing about certain change either on small scale or large scale. Then you see that how this project which you have successfully carried out, acts as a guideline from projects which you are going to carry out next. Then you also have commitments that is very very important and finally you see that what is the impact on the organization.

So, you have carried out one project relate to the change look into it is impact that can act as a learning fine point for the next project and make sure that employee commitment is there and see that what is the impact of that particular project on the organization and then you can move on to the next project. So, experimentation is very very important because it is a cyclical process through which you can demonstrate good projects with good ideas and see whether it is going to be successful or not.

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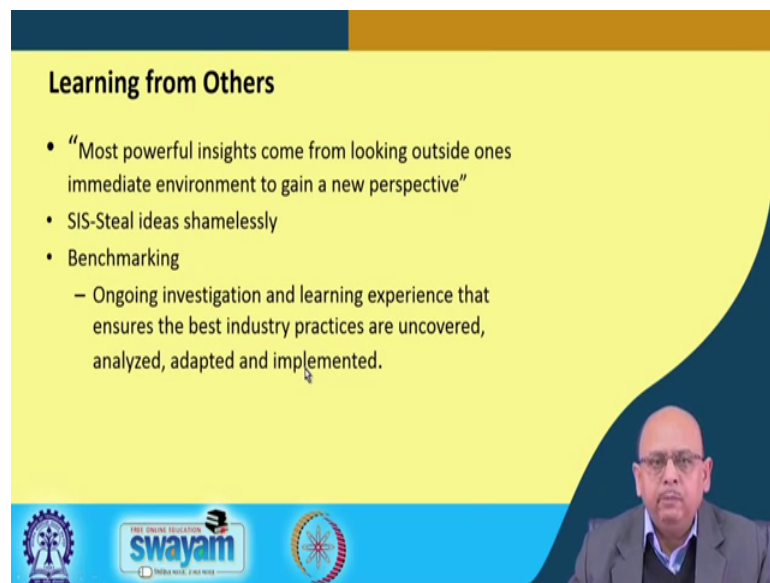
Moving next is you also learn from past experiences from the success and failures right it is not that once you fail or you have tested certain ideas and it does not work you leave it out no. Say those organizations which are considered learning organizations even failures are equally celebrated, because that also gives you some kind of learning to proceed further.

For example, if you look at 3 m any idea that is that the employees go with experimentation on that particular idea and if your idea does not work out even if it fails,

it does not mean that employee is going to be punished. So, whether you succeed or fail both of them are going to be equally divided and if that happens then it is going to act as a motivator for the employees, so that next time he is going to come out both with new idea a modified idea and see which is going to work.

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But it is very very important to see that you also learn from your past experiences related to success or failure both, then learning from others it is very very important right. Learning from others you also need to ensure that how you are going to learn from others ok, because that is going to provide you some insight what other people are doing and that will also help helping you to get a new perspective.

So, you are not only concerned or confined to your activities, but you also look at others what they are doing, how they are doing, because that is going to provide you some insight about how things can be done and that can provide a new perspective to you to think and work right. So, one thing that can be said here which is very very common that you steal ideas shamelessly that is what we know SIS, it is not that it is somebody else idea then you are not going to work on it right.

If you want to go for improvement, if you are want to go for innovation any idea with anybody you can take it and see whether that is going to be worked or not. Look at some of the accompanies some of the nation's a product that is developed somewhere they try to steal the idea of that product and try to develop similar products in their countries, the
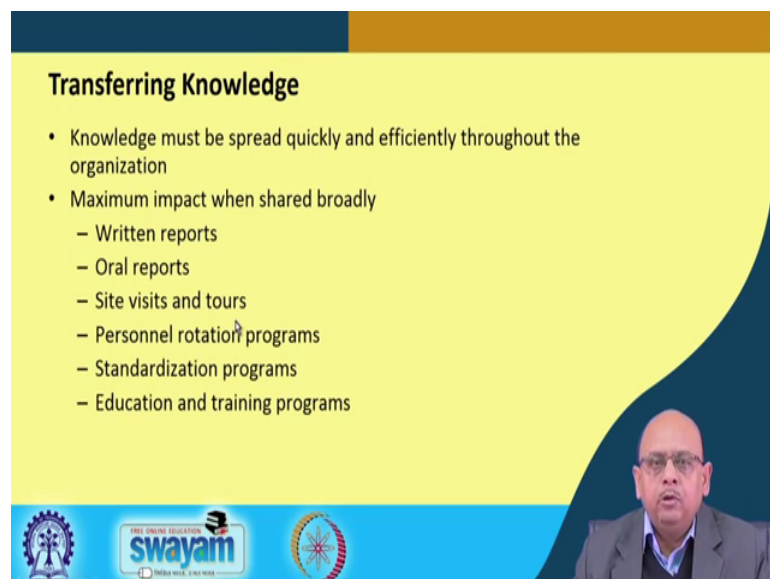
best example I can say is Chinese companies, where they try to develop similar products which have been developed elsewhere ok.

So, stealing ideas shamelessly is very very important so you should not be ashamed of it when you are going to work with an idea which has been proposed by somebody else. Then look at the benchmark the standards the practices that have been adapted by other organizations right. So, look at the kind of experiences which you have got from best practices in your industry right, you analyze it you can adopt it and even you can implement the same kind of practices if you think that it is going to be relevant and contextual in your case.

Why I am saying relevant and contextual is that is the best practices approach may not always work for the organization right. For example, in one organization you have gone for a kind of performance management practices and you find that particular system has been working well with the organization. Not necessary that you are going to adapt the same performance management system in your organization even though it is benchmarked in that particular organization.

What you can do you can learn from those experiences and then you try to analyze whether it is going to be relevant in your case and then you go for some kind of modifications before you adopt it and then see that, if you are going to implement it is going to be successful or not ok.
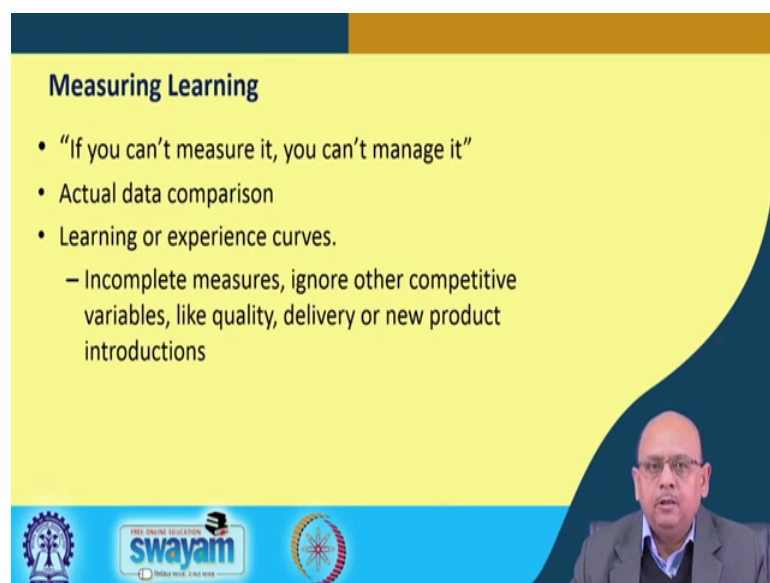
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Transferring Knowledge

- 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

So, this is what is related to what we call learning from others, then transferring knowledge that is very very important you need to ensure that whatever learning has happened it is being transformed ok. So, that is what you call either it is in the form of transit knowledge or explicit knowledge you need to ensure that you are going to share the knowledge with other people, in the form of reports towards visits whatever implicit learning that has happened ok. So, these programs you need to ensure that is being transferred to other people not only transferred, but you also share this and ensure that see how people are going to make use of these kind of things what they are work right.

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Then measuring knowledge, measuring knowledge is another important aspect it means that you need to do measure the outcome of the learning because, one of the important aspect of managing is that need to measure it. You need to measure whether really innovation has happened really some improvement has happened and whether this improvement is significant in terms of the cost that you have incurred.

So, if you have data about the cost and (Refer Time: 28:46) you can compare and see what actually has happened right and then you also need to identify criteria against which you are going to measuring in terms of learning developing competencies productivity quality right development of new product services bring about more efficiency. So, there could be lot of parameters that could be used to see whether the

learning outcome that was intended is achieved or not right. So, it is very very important to also measure the learning.

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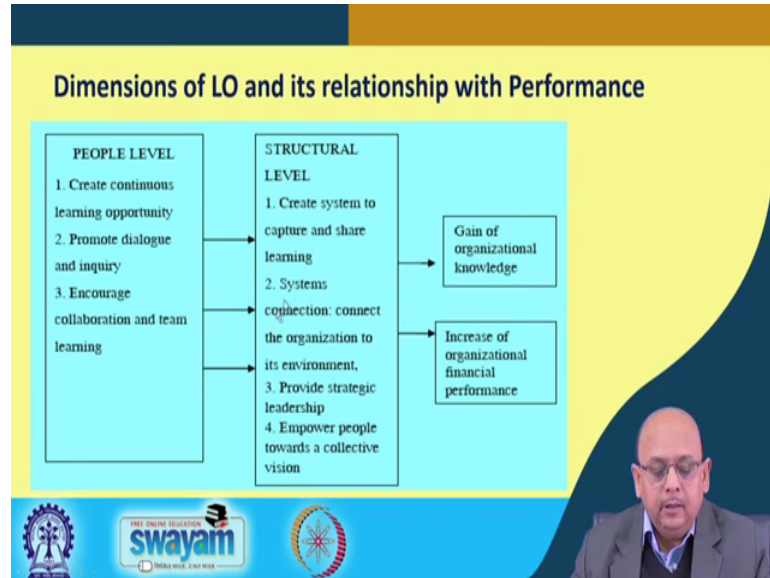
Now, see that how this dimensions of a learning organization is related with the performance. Now if you look at it we talk about at the individual level and then how it leads to organization level or the structure level and then what kind of outcome it happens right.

So, the outcome you can see here there is 2 1 is getting knowledge about the organization, so organization gain lot of knowledge and also improvement in the financial performance and this happens only if you are able to measure it at the individual level like the point that we had discussed in the beginning creating learning opportunities of all the people ok, interpersonal skills which promote dialog and inquiry collaboration and team learning.

So, all this is very very important which leads to creation of knowledge create for that you need to develop systems to capture and share learning. Then how this they are connected to the environmental organization because, you need to ensure that how this learning could be connected or will be useful for the organization given it is environment and then the third point is providing leadership that is very very important.

So, at the structural level and the people level you are able to facilitate through this then you can ensure of getting good knowledge for the organization which could be useful, because learning has happened and then there is improvement in the financial performance or the organization.

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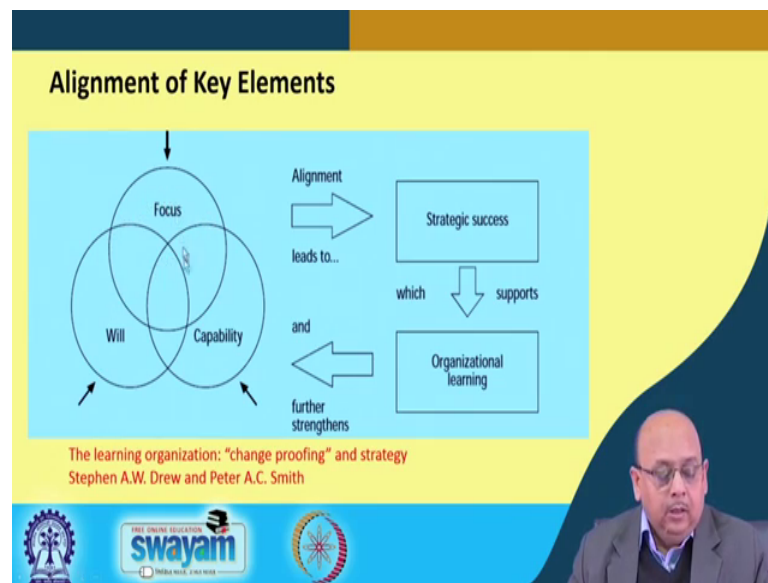
Moving further you need to see that how it could be aligned further this is what we call change proofing. So, the structure that is used here is especially related to the people, so the most important thing is required is will is commitment. Then the capability that is related to learning and then focus what you just you want to do what is your focus in terms of improvement and innovation.

So, if you are able to bring them together and you are able to create a synergy then this leads to this kind of alignment leads to what you call success and in this leads to what you call learning organizational learning and this organizational learning strengthens what your capability again it is going to. So, you say you can say that this needs to be aligned with this, so it means that better alignment between this bring success which is responsible for learning and then if you learn it is going to further strengthen your capabilities right.
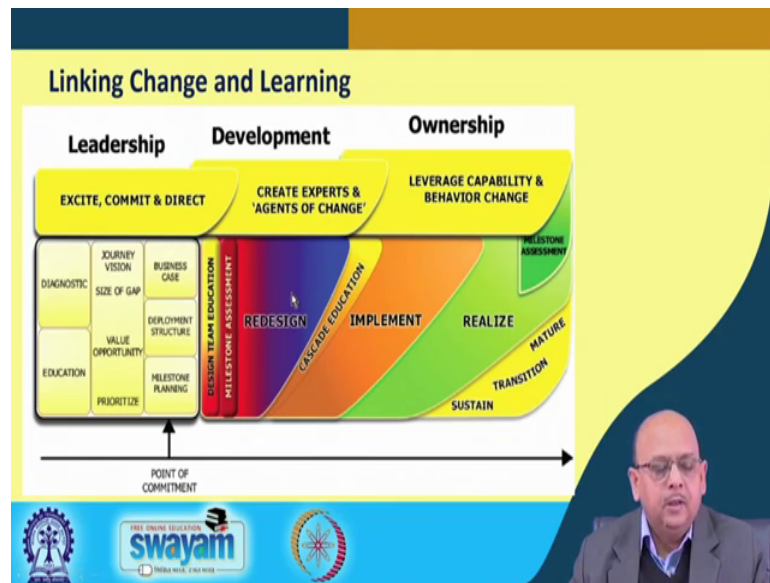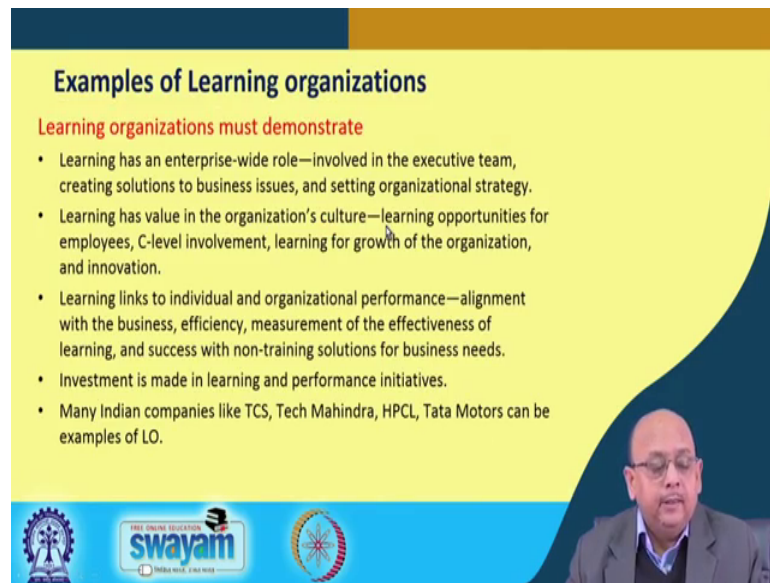
Now, you have to see that at different stages how it happens we are trying to link change with the learning. So, we talked about these stages the first stage is the leadership stage, the second stage is the development stage and third stage is the ownership stage.

So, in the leadership stage what happens you need to ensure that these characteristics are there that is excitement commitment and direction from the leadership. Then you create a vision look at the gap where you are and where you want to be and that is where you are going to use the diagnostic approach, look at the value that is going to be there right and then prioritize your activities and based on that you are going to develop the business case for a change you create a enabling a structure which is going to facilitate change and you also identify the milestones for the change.

Then you create experts and agents of change it means you design a team you also identify milestones right and then you move further the ownership stage, see how you can leverage capabilities and behavioral changes to bring about the change. So, you design implement the change and see what happens realize, whether you are able to reach to those milestones which you have actually designed earlier at this stage and you need to ensure the level of commitment increases. So, that this realize depends upon what the maturity level whether you have been able to transit well from the one state to another state and also whether this stage is going to be sustainable or not right.

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So, this how we are going to link learn change and the learning and finally let us look at some of the examples of learning organizations. What exactly they are, it means that learning organization learning takes place among everybody whether it is executive teams, they provide solutions to the business issues and they also set strategies.
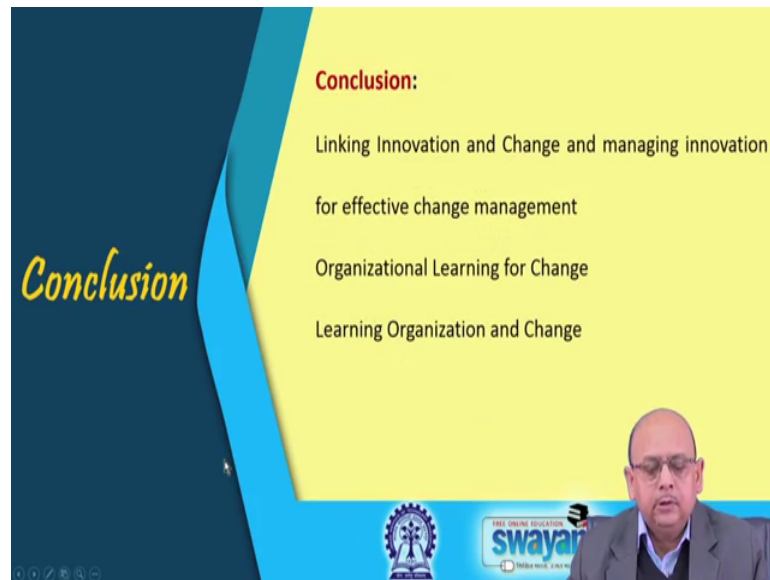
Learning has a lot of value for the culture of the organization which provides the opportunities for the employees C level cross level employees a learning for growth of the organization and innovation and as it is also linked with performance of the people individual as well as organizational performance. And that is when you are going to align it with the business efficiency, these are the measures of effectiveness of the learning. Learning does not lead to performance it means that learning is not useful, so you need to measure it in terms of with the improvement in the business or not right.

Then you need to make investment in the learning activities learning and performance initiatives. So, that you are able to ensure that people are able to develop capacities which is a important feature you can say for bring about the change because, if you are not competent enough you do not have the competencies you cannot bring about the change. So, in order to develop the competencies you need to make investments in learning activities through.

So, you need to plan training and development interventions through which it can be done. Now here a lot of examples I have given of companies like TCS, Tech Mahindra,

HPCL, Tata Motors, they are examples of learning organization because, they are following all these things and in return they have been able to continuously improve and innovate their product and services right, so with this we are going to finish this.

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So, what we have discussed here try to link innovation and change for change management, we also talked about organizational learning and learning organization these 2 concepts which could be linked with the change. And that is where organizational learning is collectively important for the learning of the employees which leads to an organization to become learning organizations and this as a result this learning organization can bring about change in the organization.

Thank you very much, these are the references.