A Conceptual Review of Organizational Learning, Learning Organization, and Knowledge Management

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Abstract: This study has been focused on reviewing the concept of organizational learning and learning organization in respect to knowledge management being an enhancing tool. Definitions of organizational learning, learning organization, and knowledge management were critically examined. The study also examined the two types of organizational learning which are; the single loop learning and the double loop are learning. Four conceptual factors that impacts on organizational learning as presented by Argot were explained as well. Also, the processes that ensure the success of knowledge management application in organizations were reviewed. In line with the literature awareness of the studied content, conclusion was arrived at by the researcher.

Keywords; Organizations learning, learning organizations, Business environment, Knowledge Management

I. Introduction

The environment in which an organization conducts its daily, weekly, monthly and yearly activities is an environment that changes abruptly. This simply means that this environment doesn't give prior notice to focal organizations before changes occur. Organizations on their own part ought to have a swift response to these changes if they are to remain in business and be competitive within the industry as well. Organizations are always looking out for improved ways of ensuring that they conduct their business activities optimally even in the face of environmental turbulence. In a bid for an organization to sustain its competiveness, the need for organizations to adopt the concept of organizational learning and be an organizational that is really interested in learning (learning organization) cannot be over emphasized, as organizations in recent times are searching optimally for the knowledge that would make them stay ahead of competitors in this ever changing business environment.

In order for organizations to cope with the current opportunities and threats that emanates from the external environment, it is argued that organizations have to learn, that is, acquire new knowledge and skills that will improve their existing and future performances (Child, Faulkner, & Tallman, 2005; Di Bella, 1998; Ortenblad, 2001). There is also the need for organizations to look into the concept of knowledge management, which is embarking on a conscious effort to acquire, store, and share knowledge for an improved level of performance within an organization.

II. The Concept of Organizational Learning

The concept of organizational learning has been given different definitions by different researchers. One of the oldest definitions of organizational learning is that which was given by Argyris and Schon in 1978. They defined organizational learning from the point of view of error detection and correction. This definition seems to be vague because error detection and correction doesn't speak much of an organization in recent times. Their definition may be valid in those years, but things are currently changing at a very high pace when compared to those years. Organizational learning is the development of new knowledge or insights that have the potential to positively influence the behavior of organizational participants (Bontis, crossan & Hulland, 2002). This definition is somewhat an improvement on the first definition because it introduced the concept of "knowledge" which would probably influence behavior in an organization. De Geus (1988) posits organizational learning to mean information acquisition, interpretation, and application so as to guide decisions in an organization. OL includes enhanced knowledge and decision making on how to meet performance objectives, improve internal communication and exchange, engagement and cooperation, as well as motivation and commitment to organizational objectives (Caemmerer & Wilson, 2010). Organizational learning is one of the strategic means through which an organization achieves its long-term organizational success (Nafei, 2015). When discussing about organizational learning, a concept that is significant is organizational memory (Luciana & Ţă, 2013). Organizational memory can be defined as the means by which knowledge gained from the past is brought to bear on present activities which would result in higher or lower level of organizational effectiveness (Stein, 1995). Organizational memory can also be referred to the knowledge objects and processes that are retained in various tangible and intangible repositories (such as norms, routines, relationships and artifacts) that are accessible by organizational members to inform, direct, influence and have an effect on their actions and decisions (Wiseman, 2007).

The two main types of organizational learning discussed in literature are; the single- loop learning and the double loop learning (Argyris & Schon,1978). This can also be referred to, as incremental learning (Miner & Mezias, 1996). The single-loop learning is adaptive and takes place within the structure and processes of the learning organization or system itself (Hedberg & Wolff, 2001). It is the acquisition of new behavioral capacities framed within existing insights (Kocoglu & Ince,

2011). The double-loop learning which can also be referred to, as radical learning (Miner & Mezias, 1996), higher level or generative learning (Sadler-Smith, Spicer & Chaston, 2001), and active learning (Saban, Lanasa, Lackman & Peace, 2000), occurs when organizations acquire behavioral capacities that fundamentally differ from their existing insights. This simply means that an organization acquires a new kind of knowledge that is somewhat different from what it has always known, all in a bid to respond to environmental changes. Four contextual factors that are considered to have an impact on organizational learning, as presented in the study of Argote (2011) include: the organization's orientation towards learning; the perception of participants within the organization regarding the psychological safety of what the organization is aiming to learn; if the members within an organization have a shared super ordinate identity; and the power relationships that exist within an organization. Argote (2011) identified organizational learning process to include; knowledge creation, retention and transfer of knowledge. Knowledge creation is the process of ensuring that an organization takes an active step towards ensuring that it identifies and acquires the right kind of knowledge which would impact positively on their overall performance. Knowledge retention is the extent to which an organization is able store up good knowledge for the aim of making future reference to it when issues that would be tackled by this known knowledge surface. And finally, knowledge is nothing if cannot be transferred from one point to another. There are basically two types of knowledge which include; the explicit knowledge and the tacit knowledge. While the explicit knowledge is the knowledge that is seen and can be made reference to in an organization because they are available in an organization's knowledge repository in the form of instructions on how to treat any situation, tacit knowledge cannot easily be assessed because they are the knowledge that resides in the head of talented employees. In order to assess this type of knowledge (tacit) an organization would have take proactive measures like organizing a forum where these carriers of tacit knowledge can be asked questions about circumstance**s.**

III. The Concept of a Learning Organization

Senge (1994) defined a learning organization as a dynamic system that is in a state of continuous adaptation and improvement. Learning organizations are capable of building feedback loops designed to maximize the effectiveness of their learning processes (Ratna, Khanna, Jogishwar, Khattar, & Agarwal, 2014). Learning organizations are those organizations which continuously keep on learning so as to attain desired result and competitiveness within its industry (Farrukh & Waheed, 2015). Learning organization is an organization which seems to be enjoying its ability to build, acquire, transfer knowledge, and modifies the behavior of its participants in such a way that reflects new knowledge and insights (Love & Irani, 2000, p 5). Learning organizations are organic 'systems' of shared learning rather than the impersonal sterile bureaucratic organizations or market driven entities focused on individualized person aggrandizement and competition (Bui & Baruch, 2010). Bowen, Rose and Ware (2006, p. 98) defined learning organizations as an "associated with a core set of conditions and processes that support the ability of organizations to value, acquire, and use information and tacit knowledge acquired from employees and stakeholders to successfully plan, implement, and evaluate strategies to achieve performance goals". The definitions of learning organizations above seem to be deficient in one area or the other. The areas focused on by researchers include; continuous adaptation and learning (senge,1994), being competitiveness within the industry (Farrukh & Waheed, 2015), reflecting knowledge and insights (Love & Irani, 2000, p 5), are organic 'systems' of shared learning (Bui & Baruch, 2010), and enabling an organizations to acquire knowledge and implement strategies to increase performance Bowen, Rose and Ware (2006, p. 98). These researchers in their definitions ought to have included a business environment since it is the framework within businesses operates in. coming up with a definition, having reviewed various definitions in literature, the study modestly but subject to correction defines Learning organizations as those organizations that consciously make resounding effort to ensure that they acquire a unique type of knowledge that help improve its overall business performance as well as keeping them ahead of their competitors in an ever changing business environment. Environmental dynamism calls for organizations to be flexible in its processes so as to remain actively involved in environmental business activities.

A key aspect of the learning organization is that all organizational members require are expected to continue with the learning process, so as to improve their performance (Gephart, Marsick, Buren & Spiro, 1996; Nadler & Nadler, 1994).

Mechanisms for building a learning organization as given by Ratna et al., (2014) include; Creating and adequately communicating a shared vision to the entire organization; Making information in the organization accessible to all; aiding employees managing change by anticipating change and creating the types of change desired by the organization; Empowering employees to act; Acknowledging and supporting the need for both the organization and its employees to take risks; Learning to manage the organization's knowledge by: Keeping current information, maintaining historical knowledge, addressing increasing volumes of information, establishing and using individual and organizational learning strategies.

IV. Organizational Learning, Learning Organization, And Knowledge Management

For organizational learning to be effective, there is the need for organizations to pay attention to the concept of knowledge management as well as the processes involved in effective knowledge management implementation in an organization. Knowledge management has emerged as a vital phenomenon, as managers of business organizations are now more than ever

beginning to realize that much of their organizations' value depends on their own ability to create and manage knowledge (Samina,Tahira,Muhammad & Syed,2015,pg.43). A firm's conscious effort to create knowledge is of utmost importance; however, there is need to scrutinize the type of knowledge that needs to be created as well as the functional unit that needs this knowledge. In concurring with the above statement, Gholami,Asli, Shirkouhi & Noruzy (2013) posits that KM provides firms the ability to have a good understanding of their internal processes as well as gaining strategic insight into their internal experiences as well as their external resources (customers, suppliers, and competitors). Not until recently, researchers have been arguing on the elements that constitutes KM. In defining KM, O'Leary (2002) simplifies and defines knowledge management as the practice and strategies that a firm utilizes, in an attempt to create, distribute and enable the adoption of strategic insights and specific experiences. Scarborough, Swan and Preston (1999) posit that knowledge management involves the process of creating, acquiring, capturing, sharing and using knowledge to enhance organizational learning and overall performance in organizations. Bhatt (2001) views Knowledge management as the procedure which is taken so as to ensure knowledge creation, endorsement, presentation, spread and appraisal. This simply means that even if knowledge is to be acquired, that the source of such knowledge must be that which is approved of by the organization, and that such knowledge will be evaluated or appraised to ascertain its overall effectiveness in the functional units of an organization. Knowledge can come in two forms, namely; tacit and explicit. *Tacit knowledge* is seen as knowledge which resides in the head of individuals or employees when referring to organizations. This knowledge is in the form of know-how relating to a particular area of specialty. It involves the process of comprehension which is hard to understand because it cannot easily be captured or tapped into as it were (Eugenie, Munene & Orobia, 2016, pg.83). This knowledge is embedded in the form of capability, skill and ideas which individuals carry in their head (Davenport & Prusak, 2000). Tacit knowledge can be transferred by means of interacting with employees in organizations, by encouraging them to share their experience, practices, thoughts, and attitudes and maybe through team bonding (Coulson-Thomas, 2004). In encouraging interaction among employees, they share intellectual ideas (intellectual capital) which creates knowledge, skills and innovativeness; thus the issue that still remains is how to get people to share this tacit knowledge (Katsuro ,Mapira ,Mangava &Chimbindi ,2012). It is often quite difficult to get out relevant information out from employees head knowing that some of these employees may hoard very vital information from others as these group of highly skilled employees see this knowledge as an edge over other employees. These employees see is as leverage. *Explicit knowledge* is an accessible knowledge that exists in an organization; they are in form of laid down procedures for tackling recurring organizational problems. Explicit knowledge is the knowledge that is captured and retained in an organization's systems and structures (Katsuro ,Mapira ,Mangava &Chimbindi ,2012).

Knowledge Management Processes refers to the step by step procedure through which an organization generates, stores, shares and evaluates knowledge at any particular point in time. The knowledge management processes is the extent to which a firm creates, shares, and utilizes knowledge across organizational units (Chang & Chuang, 2011). For knowledge management to be effective in organizations, it must adhere strictly to the following processes; Knowledge *identification;* this simply entails making a conscious attempt to identify the availability of a relevant knowledge that will impact an organization positively. This is owing to the fact that not all knowledge will yield the desired result or bring forth an expected outcome. So, it is important to identify and get familiar with the source of needed information so as to ensure its suitability. The source of information is as important as the information in itself. The tenet here is to ensure that such knowledge is one that would be endorsed by an organization**.** *Knowledge creation;* organizational knowledge creation has been described by (Pentland, 1995) as involving adding new components of knowledge as well as upgrading or replacing the existing knowledge. The essence of creating knowledge is to ensure that a particular problem is solved, or that an existing opportunity is exploited. Knowledge creation involves utilizing both the internal and external resources of a firm, so as to generate needed knowledge for the achievement of an organization's objectives (Gholami et al 2013). A focal organization can make an attempt to create knowledge by creating focus groups within the department that needs the change. In creating such group, members of this group will carry out brainstorming activities as well as conducting research on the particular subject matter so as to ensure that knowledge is created within that group and thus spread across the functional areas of an organization. *Knowledge acquisition;* this is an attempt made towards learning about a particular situation or concept. It portrays an organization's proactive step towards increasing its know-how as it relates to pressing organizational matter. This practice includes occasions of agreeability and collection of learning (Ahmed Fiaz & Shoaib, 2015). It portrays how learning is achieved from various sources inside and outside the organization (Gold & Malhotra, 2001). In direct agreement to seeing acquisition as involving learning, Gholami et al (2013) sees knowledge acquisition as involving the process of acquiring and learning appropriate knowledge from relevant sources, such as organizational happenings, skilled personnel, relevant documents, and plans. *Knowledge Storage;* it is one thing to acquire knowledge, yet another thing altogether to safeguard or store such knowledge for future purpose. The need to store information cannot be over emphasized in an organization as it is known that an organization operates in a turbulent and dynamic business environment that tends to pose challenges over a period of time. Same challenge can take different forms if only an organization is well equipped to dissect and analyze such challenge, only then will the need

arise to make reference to how the challenge was initially tackled, but this can be made possible if there is a mechanism or a culture in an organization that stores knowledge as well as the issue or issues it tackled as at then. knowledge can be stored in various forms like written documentations, codified human knowledge stored in an expert system, structured information stored in electronic databases, documented organizational procedures and processes and tacit knowledge acquired by individuals or network of individuals (Samina et al,2015). *Knowledge sharing;* Sharing entails information or knowledge dissemination to different functional areas in an organization where knowledge is inadequate knowing that knowledge is the power to act accordingly. But more interestingly, Gurteen (1999) is of the opinion that sharing knowledge is not just sharing information rather its purpose as stated by (Davenport & Prusak, 1998) is to assist a firm in achieving its stated goals. Knowledge sharing is a process through which knowledge is exchanged between the individual and an organization (Gholami et al 2013). In other words, knowledge sharing can be viewed as the means through which knowledge is transferred from person to person, from individuals to groups, as well as from one organization to another (Frappaolo, 2006). Certain factors mitigates against knowledge sharing in an organization, some of these factors as given by (Davenport & Prusak, 1998) include; absence of trust, varying cultures & languages, unplanned time and meeting venue, Narrow idea of productive work, Status and rewards go to knowledge owners, Lack of absorptive capacity in recipients, Belief that knowledge relates to specific groups and Intolerance for mistakes and lack of help. *Knowledge Implementation and Evaluation;* this entails embedding the identified, acquired, stored, and shared knowledge into organizational processes. Implementation of knowledge shows the extent of its acceptability by an organization as well as its members. Implementation depicts the application of knowledge and the use of the existing knowledge for decision-making, improving performance and achieving goals (Gholami et al.2013). Knowledge evaluation is encouraged to be carried out in order to determine the degree to which the acquired knowledge is solving the issue at hand. The essence of this is to ascertain if the existing knowledge should be modified by adding new knowledge to it or termed as being ineffective.

V.   Conclusions

This study has been focused on conceptually reviewing organizational learning, learning organizations, and knowledge management. Having the knowledge that the environment within which an organization operates is one that continuously changes over a period of time;

there is the need for organizations to look within so as to realize if they really know what they know which would serve as the bedrock of gaining and sustaining competitive advantage in a turbulent environment. For organizations to remain competitive within its industry, the need to adopt the concepts of organizational learning and a learning organization cannot be overemphasize. Organizations need to embrace knowledge by training its members in the right direction so as to ensure that the knowledge acquired is one that would improve the overall performance of the firm.

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