

# A Critical Review of Learning Organizations in the 21<sup>st</sup> Century

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## INTRODUCTION

In everyday conversation, the word *organization* regularly arises. It is used to mean the way something is done or some kind of systematic, regulated processes used to achieve a goal (Kuhl, 2013). The process of organization might relate to a trip away, a collection of books or music or other items, tasks to do in the day, and so on. Organizations can also refer to a group of people who come together and work towards some common goal in a structured way. Such groups of people or organizations vary greatly in size. A company of five people may be considered an organization. On a much larger scale, a multinational corporation comprised of several hundred employees is an organization. A small college is an organization, and a mega-university is an organization. A church is a religious organization. Even a whole country can be treated as an organization. The essence of the concept of *organization*, is some kind of systematic, or regulated process to achieve a goal. Hence, one of the defining characteristics of an organization is that it must have a goal, and also there must be rules and regulations that apply to the processes for achieving that goal. An organization must also have some kind of hierarchy with leaders, managers, supervisors and above all employees, or followers or members. As an organization, a hierarchy or chain of command is imperative. Otherwise, there may chaos, rather than systematic regulation, will reign in the organization. A society or a culture can also be an organization. People are the major players in any organizations. People in an organization make policies, rules, and regulations as to how people should contribute to a certain organization. There are organizations where people are takers from their organizations. There are organizations where people are basically contributors to their organizations. In addition to goals, membership, and hierarchy, another central characteristic of an organization is decision-making autonomy in relation to things such as membership, goals and processes (Kuhl, 2013). Evidently, though, complete independence can never be achieved since the organization is embedded in surrounding society and so it is subject to the norms and restrictions of that society (Kuhl, 2013).

In an effort to better understand organizational structures and processes, various authors have proposed typologies of organizations on the basis of different characteristics such as organizational structure, leadership types, organizational culture. In 1990 Senge wrote an article in the MIT Sloan management Review called “The learning organization” and published a book called *The Fifth Discipline: The Art & Practice of the Learning Organization*. Even though the term being used many years earlier, Senge (1990) has come to be “synonymous with the idea of learning organizations” (Ortenblad, 2013). Senge’s work ignited the production of a large volume of literature related to learning organizations. Subsequently,

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a ‘learning’ organization has become one categorization of an organization according to the extent to which members learn, and the extent to which the organization itself is able to transform.

Despite the volume of literature and depth of discussion surrounding learning organizations a single definition remains elusive (Santa, 2015). Ortenblad (2013) suggests that there are essentially four categories of definitions of the learning organization concept:

1. Learning at work
2. Organizational learning
3. Climate for learning, and
4. Learning structure.

However, for the purposes of the present chapter, the authors consider a learning organization as a ‘company that facilitates the learning of its members and continuously transforms itself’. What this means is explored more fully throughout the chapter. An antithesis to the learning organization, is a static organization. Static organizations are characterized by lack of change and rigidity – they have fixed practices, fixed size and so on. Like static equations, these organizations have no variables – they do not change over time.

The fundamental belief underlying the present chapter is that today, organizations must strive to become what we call learning organizations in order to remain competitive in a global economy (Petty & Brewer, 2005). Learning organizations are drastically different from static organizations in terms of structure, atmosphere, management philosophy, decision-making and communication. To redefine the issue learning organizations, one has to approach structure, atmosphere, management philosophy, decision-making and communication because these are the indispensable aspects that may lead to the rise or fall of an organization in today’s competitive global economy. Today’s organizations have a choice to make. Whether they wish to remain a learning organization may depend on redefinition of these key concepts. While some organization leaders can speak eloquently about these key concepts, they may never apply them to practice or they do not care to do so. These key concepts (structure, atmosphere, management philosophy, decision-making and communication) need to be redefined, analyzed and even “taught” to these organization leaders.

## **BACKGROUND**

To better understand the idea of a learning organization, it is useful to consider organizations in Marx’s terms. In Marx’s terms, humans are capable of producing “surplus value,” and it is this surplus value that helps human society make progress from one stage of development to another (Marx, 1929; Wang, 2006). Indeed, without the surplus value, humans would stay in the primitive state as a society. Organizations’ leaders do many things in order to push their organizations to a new height. Takers or contributors of organizations do have some common goals (even imposed upon them by their superiors), that is, organizations are supposed to add “value” to society. From this perspective, it is imperative that people in the organizations receive education and training in order to be more productive citizens in society. Organizational leaders must design training so that employees can be more educated. In this new century, people need more formal and informal education and training in order to work productively throughout their working life. In primitive society, people did not need education in order to work (Wang & King, 2008, 2009), but organized training can be traced back 6000 years ago when scribes received formal

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