

Making a difference through organizational learning

Organizational learning: an ongoing journey

Organizational learning theory has gained currency since the 1950s, thanks in part to the debate between economists and behaviorists (Schulz, 2002), when behaviorists such as March, Simon and Cyert, who were dissatisfied with the classic economics models of the firms, developed the behavioral theory of the firm (Cyert and March, 1963). Research on organizational learning has increased considerably since the late 1980s, evolving into a diverse literature with uneven development of different idea clusters (Schulz, 2002). Organizational learning becomes a meta-theory that is comprehensive (Berta *et al.*, 2015) and yet also displays significant fragmentation and lack of integration (Schulz, 2002), which is because of the lack of consensus on what it means by the term (Crossan *et al.*, 1999; Huber, 1991). However, organizational learning research provides a rich basis for theory building and has strategic implications for managers concerning development of appropriate organizational capabilities and competitive advantages, successful market performance and design of organizational structure and culture (Argote, 2013).

The field of organizational learning is still growing, and there is now ample literature on the subject. We are pleased to add the papers in this special issue, “Making a difference through organizational learning” to this literature. In this editorial, we explain what we mean by making a difference through organizational learning and what has been suggested by papers in this special issue to make such differences occur.

Why organizational learning can make a difference

Organizational learning is positively related to organizational performance (Argote, 2013; Berta *et al.*, 2015; Chadwick and Raver, 2015). There are several mechanisms through which this happens. First, significant productivity gains come from organizational learning (Argote, 2013), and workers gain experiential learning through repeated application of work routines (Berta *et al.*, 2015; Huber, 1991). Second, empirical evidence shows positive impact of organizational learning on organization innovation, meaning that higher organizational learning ability will lead to better performance of innovation activities (Liao *et al.*, 2008). Learning happens along the innovation journey from emergence phase to diffusion phase. Third, organizational learning is the principal means of achieving strategic renewal (Crossan *et al.*, 1999) or providing sustainable competitive advantage (Njuguna, 2009). As a result, organizational adaptation is a dynamic ongoing consequence of organizational learning (Greenwood and Hinings, 2006). Improving performance, deriving innovation and enhancing survival ability are examples of important processes that organizational learning can provide.

Advances in information-related and information-facilitated technologies are contributing to an organizational environment that is much more diverse and dynamic, an environment which is generating both organizational threats and opportunities that are more likely to be more novel and more demanding. What has just been said explains *why* organizations must engage in learning about their environment more rapidly and effectively than ever before. There are real-world needs for organizational learning scholars to learn *how* organizations can effectively learn about changes in their increasingly more diverse and dynamic environments and *what* the organizations actually learn.



How to make a difference through organizational learning

This special issue focuses on exploring the question of *how* to make a difference through organizational learning[1]. There are several approaches responding to this question, such as building innovation capacity by maintaining ambidexterity in organizational learning using bottom-up approach (Brix, 2019), learning through communication processes (Engström and Käkelä, 2019), enhancing organizational learning with software support systems (Fannoun and Kerins, 2019), creating organizational dynamic capabilities through knowing in practice established through microprocesses (Linden *et al.*, 2019), developing a multi-level learning framework (Morland *et al.*, 2019) and regenerating the learning organization (Pedler and Hsu, 2019).

One mission of *The Learning Organization (TLO)* is to aid managers, teams and organizations to learn effectively. This special issue of *TLO* contains two articles that deal with this mission, one by Engström and Käkelä (2019) and the other by Fannoun and Kerins (2019). The paper “Early steps in learning about organizational learning in customizing settings: a communication perspective” (Engström and Käkelä, 2019) raises the importance of organizational learning in day-to-day operation of companies providing customized products and services under the uncertainty of not knowing what to produce in advance. Customizations require the ability of companies to understand customers’ needs. This ability comes from a collective learning process where individuals from different parts of organizations communicate and learn from each other. Understanding the process of learning from communications and the rationale behind them is crucial for managers attempting to build routines and procedures for enabling conditions for individuals to handle complex tasks through communications. The paper “Towards organisational learning enhancement: assessing software engineering practice” (Fannoun and Kerins, 2019) addresses the contribution of information technology by illustrating the benefits of Web-paged systems support knowledge capture and organizational learning. In the context of small software development unit, members face the pressure of performing a variety of tasks in different projects that are knowledge-intensive. The potential for capturing knowledge from each project and transferring knowledge within organizations can be constrained by the lack of resource for building knowledge management processes and organizational learning systems. The article proposes a lightweight, Web-based system that serves as a repository of core knowledge and critical learning from individual projects. The idea is not new, but the template for such lightweight system in schematic structure proposed in this paper can be of great help for managers in small- and medium-size enterprises to design their knowledge repository mechanisms.

The second mission of *TLO* is to create theories or methods for creating theories. This special issue of *TLO* contains two articles that deal with this mission, one by Brix (2019) and the other by Pedler and Hsu (2019). The paper by Brix (2019), “Innovation capacity building: an approach to maintaining balance between exploration and exploitation in organizational learning,” conceptualizes a framework to enhance innovation capabilities through individual and organizational capacity building. This framework offers a bottom-up approach to create contextually ambidextrous organizations where managers authorize employees to switch between exploration and exploitation activities. The paper by Pedler and Hsu (2019), “Regenerating the learning organization: towards an alternative paradigm,” identifies two waves of literature concerning organizational learning and learning organization: one is shaped by the predominant understanding that all learning is good, and the other, which is more reflexive, challenges the predominant views and provides guiding principles from ancient wisdoms of Taoism and Buddhism to articulate an alternative paradigm of

learning organization and organizational learning. The new paradigm emphasizes that human beings are integral parts of nature and environment; therefore, they should be mindful of their actions and potential outcomes. This is applicable to organizations that require the members to change their old perceptions of operating business toward responsibility and sustainability. To do this, the ability to unlearn is critical. Scholars and practitioners are invited to contribute to these conceptualizations of how to generate continuous learning and unlearning in organizations and how to enable an organization to become a learning and unlearning organization.

The articles of [Morland et al. \(2019\)](#) and [Linden et al. \(2019\)](#) address both missions, contributing to both theory and practice. The paper of [Morland et al. \(2019\)](#), “Development of a multi-level learning framework,” explores the context and the conditions for enabling different levels of learning to synchronize over time. The multi-level learning cycles are influenced by time, communication and trust, which highlights the essential role of collective sensemaking activities in organizations. Understanding when, how and why collective sensemaking occurs will give insights for managers to enact successful multi-level learning in large organizations. The paper of [Linden et al. \(2019\)](#), “Contribution of knowing in practice to dynamic capabilities,” describes how dynamic capabilities can be operationalized in the context of hospitals. The authors argue that microprocesses residing in the knowing-in-practice designed by strategic managers can contribute to the development of dynamic capabilities. Common vocabulary and shared meaning and value through the continuous learning process stimulate this development. Therefore, organizational learning mechanisms need to be designed in a way that relevant external stakeholders, decision-makers, managers and employees are brought together in a continuum learning process.

An important contribution to this special issue is an essay by guest editor [Huber \(2019\)](#), “Making a Difference through Organizational Learning,” which proposes to fill a void in the organizational learning field with studies of ecosystems and organizational intelligence directed at learning about threatening entities, such as adventurous nations or business competitors. He notes that the foci of the works in this literature are not cumulative, the literature lacks focus and its individual works have little synergy. Therefore, he suggests that in addition to choosing research topics that are personally interesting to them, organizational learning researchers should consider if and how their work could add synergistically to the content of other works already in the literature. Another route would be to look for synergies with somewhat related topics, such as information overload in organizations ([Edmunds and Morris, 2000](#); [Stephens et al., 2017](#)) or organizational change ([Kunisch et al., 2017](#); [Martins, 2011](#); [Oreg et al., 2018](#)).

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Note

1. This special issue is connected to the main theme of the Organizational Learning, Knowledge and Capabilities (OLKC) 2018 Conference, “Learning to make a difference.” The OLKC 2018 Conference, organized by University of Liverpool Management School, took place from April 25-27, 2018, in Liverpool, UK. The authors would like to thank Professor Ossie Jones, University of Liverpool, Management School for his great help to connect this special issue to the conference.

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