

Material 2.1.2m

THE LEARNING ORGANIZATION

Innovative concepts and developments for company-based career work are not only a consequence of the megatrends in the world of work but also influenced by innovative management theories concerning work-based learning and competence development in enterprises, thus inducing a change in the understanding of leadership in enterprises and the role of the employees.

An important trigger has been the publication by

Peter Senge (1990): The fifth discipline. Doubleday, New York (*all citations – written in italic - are taken from this book*)

This book innovated and influences the management strategies until today. The aim is the development of innovative approaches which increase the learning ability of individuals, teams and organizations, thus handling the complexity and dynamic of the organization's environment.

Senge develops a systemic approach to corporate management which divides the whole management task into five disciplines: Systems Thinking, Personal Mastery, Mental Models, Building Shared Vision and Team Learning.

Systems Thinking is the overarching discipline. Senge starts his argumentation with this 5th discipline, which gave the book the title: (*Part II*)

As the world becomes more and more interconnected and business becomes more and more complex and dynamic, work must become more "learningful".

The organizations that will truly excel in the future will be the organizations that discover how to tap people's commitment and capacity to learn at all levels in an organization.

Senge develops the vision of a collective aspiration being set free, where people are continuously learning how to learn together.

In the following Senge introduces 4 **Core Disciplines** (*Part III*), which build the Learning organization:

Personal Mastery

Organizations learn only through individuals who learn. Individual learning does not guarantee organizational learning. But without no organizational learning occurs.

Mental Models

One thing all managers know is that many of the best ideas never get put into practice. Brilliant strategies fail to get translated into action.

This is due to assumptions which people have based on prejudices. If for example a manager suspects an employee being work shy and only motivated by money, his behaviour will be directed by this prejudice and demotivate the employee. Such mental models have to be made self-conscious.

Shared Vision

Few as any forces in human affairs are as powerful as shared visions.

Shared visions are a power which gives energy and makes people outperforming. Without shared visions there are no learning organizations.

Team Learning

Individual learning, at some level, is irrelevant for organizational learning. ... But if teams learn, they become a microcosm for learning throughout the organization.

Team Learning is a process, in which a team its capacity to reach goals expands continuously by dialogues and discussions.

Conclusions from Peter Senge's concept of the fifth discipline for company-based career work

Peter Senge demonstrates in his book very clearly the interconnection between the individuals of an enterprise and the organization as a whole. He directs the view to the “system enterprise” which is in accordance with the required “systems thinking”.

The related core disciplines “personal mastery” and “mental models” direct the enterprise's human resource management to individualized measures, while “shared vision” and “team learning” require holistic development activities.

The human resource management often appreciates the cooperation with external consultants and counsellors who introduce new expertise to the enterprise. Especially career guides and counsellors (CGC) are mostly oriented on the personal perspectives and individual growth of the employee, while HR managers are mostly interested in the prosperity of the enterprise and observe more the corporate perspective which is not always congruent with the individualization of career counselling. Systemic thinking may help to interact the views of career guides and counsellors and HR managers. (*“Organizations learn only through individuals who learn.”*)

Team learning as Senge understood it could pave the way for a balanced relation between corporate and individual aspects by establishing a culture of dialogue (and not only discussion) within an enterprise. To establish a culture of dialogue essentially could be the matter of CGCs as well as of HRMs. Therefore, both groups need to come together and build a learning team.

Players in the Learning Organization

Continuous improvements happen by collecting the experiences of all staff members, converting these into knowledge and disseminating the knowledge by interacting all over the organization. The management facilitates and promotes continuous learning.

Challenges for SMEs becoming a Learning Organization

In SMEs predominate informal, experience- and experimental based learning processes, which are influenced by the personality of the founder. The focus is on “dynamic capabilities” which enable the firms “to integrate, build and reconfigure internal and external competences to address rapidly changing environments.” (Teece et.al. 1997: Dynamic Capabilities and Strategic Management. Strategic Management Journal , 18(7), 509-533)