

Nataša Rupčić

Managing Learning Enterprises

Challenges, Controversies and
Opportunities

Knowledge Management and Organizational Learning

Volume 14

Series Editors

Ettore Bolisani, University of Padova, Padova and Venice International University,
Venice, Italy

Meliha Handzic, International Burch University, Sarajevo, Bosnia and Herzegovina

This series is introduced by the International Association for Knowledge Management (www.IAKM.net) with an aim to offer advanced peer-reviewed reference books to researchers, practitioners and students in the field of knowledge management in organizations. Both discussions of new theories and advances in the field, as well as reviews of the state-of-the art will be featured regularly. Particularly, the books will be open to these contributions: Reviews of the state-of-the art (i.e. syntheses of recent studies on a topic, classifications and discussions of theories, approaches and methods, etc.) that can both serve as a reference and allow opening new horizons Discussions on new theories and methods of scientific research in organisational knowledge management Critical reviews of empirical evidence and empirical validations of theories Contributions that build a bridge between the various disciplines and fields that converge towards knowledge management (i.e.: computer science, cognitive sciences, economics, other management fields, etc.) and propose the development of a common background of notions, concepts and scientific methods Surveys of new practical methods that can inspire practitioners and researchers in their applications of knowledge management methods in companies and public services.


This is a SCOPUS-indexed book series.

Nataša Rupčić

Managing Learning Enterprises

Challenges, Controversies
and Opportunities

 Springer

Nataša Rupčić 
University of Rijeka
Rijeka, Croatia

ISSN 2199-8663 ISSN 2199-8671 (electronic)
Knowledge Management and Organizational Learning
ISBN 978-3-031-57703-1 ISBN 978-3-031-57704-8 (eBook)
<https://doi.org/10.1007/978-3-031-57704-8>

© The Editor(s) (if applicable) and The Author(s), under exclusive license to Springer Nature Switzerland AG 2024

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, expressed or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

This Springer imprint is published by the registered company Springer Nature Switzerland AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

If disposing of this product, please recycle the paper.

Preface

During the twenty-first century, the world has been experiencing profound changes in the form of intense globalization and accelerated development of existing knowledge, which is reflected in the development of new technologies and computerization and digitalization of various aspects of work, business, and life. This has led to a change in the nature and way work and business processes are carried out, relying on automation, robotization, artificial intelligence, and big data analytics to identify trends and develop strategies to further influence social and economic developments. To achieve development goals and keep pace with global engineering and technological development trends, more and more well-trained experts and knowledge are needed. In contrast to the traditional economy, which is based on capital investment and labor, the new economic trends, which are largely supported by information and communication technology, are based on the creation and use of knowledge, which is transformed into innovations and new technologies, i.e., new value. Data, information, and knowledge appear as the most important economic category, either as factors of production or inputs in the value creation process or as outputs, where new data, information, and knowledge are created from data, information, and knowledge or materialized in innovations, products, and services, but also in the development of human resources. The guarantee of economic success of modern companies thus becomes a continuous process of learning and knowledge creation in an environment that promotes learning and the use of knowledge in the value creation process. Such an environment is created in a learning organization, i.e., a learning enterprise.

Interest in the learning organization and learning enterprise concept began in 1990, after the publication of Peter Senge's book entitled *The Fifth Discipline: The Art and Practice of The Learning Organization*. The new ideas presented in this book initiated the development of the research field of learning organizations and learning enterprises and their key processes of organizational learning and knowledge management. The development of scientific research in this field strengthens the practical application of this knowledge in both profit and non-profit organizations, especially in educational institutions. Thus, many companies are continuously working on the development of their activities according to the determinants of this concept. Making a company a learning organization requires not only changes in the institutional structure but also a fundamental shift that focuses on learning at all levels, the so-called "collective mind shift." It is necessary

to create an environment that promotes learning, experimentation, and the collection of knowledge from different sources, but also its transfer and integration into the value creation process. This is linked to the creation of a culture in which mistakes are not punished and attempts are rewarded as much as successes. The development of a learning organization, therefore, requires a high degree of trust in employees, i.e., their empowerment and involvement in systematically managed innovation processes, which calls for new leadership qualities and new organizational forms supported by information and communication technology.

Many companies have tried to become learning organizations but have encountered a number of problems because they have neglected certain prerequisites for the successful implementation of this concept. However, there are also several good examples of learning companies that have become pioneers in the successful implementation of organizational learning and knowledge management. It is important to keep in mind that building a learning organization and a learning enterprise is like putting together a puzzle. If one piece is missing, the picture is incomplete. Therefore, all components of the learning organization and learning company concept must be identified in order to apply it successfully. It is also necessary to identify the barriers to the adoption of this concept, but also to study the possibilities of its application in different contexts, i.e., in different areas of activity, in terms of cultural differences, but also in terms of different complementary business practices. Basically, every company should become a system of knowledge generation integrated into the value creation process and based on the continuous transformation of assumptions or existing mental models. In the context of constant change and the need to manage it, there are no longer stable competitive advantages. The only way to maintain them is through daily learning about customers, the market, technologies, and the interests of various stakeholders. A prerequisite for maintaining a competitive position is the ability to learn about the entire system, but also the ability to learn faster than the competition. This means becoming a learning enterprise. However, it should be borne in mind that the learning enterprise is a concept that is never fully achieved, but is constantly renewed, always at a higher level, through continuous efforts and constant investment in the acquisition and management of knowledge.

The aim of this book is to explore the characteristics of learning organizations and learning enterprises, as well as the challenges in applying this management concept, and to enable readers, based on the acquisition of theoretical and practical knowledge and skills, to effectively manage organizations based on the learning organization paradigm. The book consists of three parts. The first part, entitled "Characteristics of a Learning Enterprise," analyzes the basic principles of the learning organization paradigm with particular reference to Peter Senge's learning disciplines. Then, the organizational determinants of the introduction of the learning organization concept are analyzed in relation to its management. The knowledge management process is then analyzed as a fundamental core competency of modern organizations as well as stakeholder orientation as a basis for managing learning organizations, especially organizational learning and knowledge management.

The second part is titled “Challenges of Application of the Learning Enterprise.” The challenges of levels and types of learning are analyzed in this part, focusing on organizational learning in general and single-, double-, and triple-loop organizational learning. The challenges of interorganizational learning are analyzed next. Special attention is devoted to the fact that knowledge quickly becomes obsolete and loses meaning, which challenges individuals and organizations to successfully apply the learning dynamics of learning, forgetting, unlearning, and relearning, which is considered the fundamental learning dynamics of a learning organization. This part also analyzes the challenges of intergenerational learning and knowledge transfer and the role of social capital in building a learning organization.

The third and most challenging part examines how the learning organization and enterprise concept can be applied. Thus, the learning organization is presented as a technology for introducing the socioeconomic paradigm and solving the so-called “wicked” problems. The possibility of applying the learning organization concept with respect to different cultural characteristics is also explored. The complementarity of spiritual practices and the characteristics of a learning organization and a learning enterprise is explored in this context. The book concludes with a critical review of the learning organization and learning enterprise concept, highlighting numerous challenges and controversies in the application of this philosophy. As part of the critical analysis, solutions to the problems identified are sought at the very end by returning to the beginning, i.e., to the original ideas of Peter Senge analyzed through the prism of spirituality. The conclusion is that a true learning organization can only be an organization of people committed to spirituality, and this complementarity is further explored and analyzed.

This book thus provides an overview and critical analysis of the contributions of previous authors and practitioners in the field of learning organizations and learning enterprises. However, it is also the result of the author’s own findings and reflections on various dimensions and perspectives of a learning organization, and it offers solutions with regard to previous findings and their critical evaluation. It is the reflection of the time in which it was written, which was characterized by the fear of reaching the limits of growth and the possible collapse of the world under the burden of pollution and growing population. Instead of greater control and regulation, however, this book offers a different view of the solution in the form of the development and transformation of collective consciousness. The development and transformation of consciousness from a focus on the material way of life to the development of a higher level of spirituality and cooperation, as well as a meaningful life in the community, can be achieved on the basis of building a mental model of the interconnectedness of all components of the social system and the potential quality contribution of all its members. Thus, the responsibility and sustainability of a society are based on the responsibility and sustainability of each individual, which in turn is based on continuous learning and critical questioning of the available knowledge in relation to the development of human well-being in cooperation and synergy with nature and the development of communities and societies inherent to human nature. In other words, this book can help readers develop and foster their own curiosity, reflection, and collaboration with others in terms of learning, sharing

knowledge and insights, and integrating them into a new value, but also the common search for new opportunities and sources of knowledge. In this way, readers are encouraged to work on their own development, but also on transcendence to different features of their being, and thus on self-realization through all life experiences, including those in the workplace.

However, this book is primarily concerned with applying the learning organization philosophy in a business sense, i.e., at the corporate level in the sense of developing learning enterprises. To achieve this goal, it is first necessary to change entrenched mental models. One of them is the *a priori* accepted position, which refers to the hypothesis that the effectiveness of organizations can be achieved through a detailed division of labor and that this is the only way to increase productivity and efficiency. Moreover, continuous control is considered the only way to ensure that the desired results are achieved. While the development of information and communication technology has democratized work processes to a certain extent, it has also enabled even greater monitoring and control, as employees are constantly evaluated according to various criteria. At the same time, there is an appeal to the human aspiration to be *good*, i.e., not to be the *worst* in the community. Thus, employees compete to be better than the others, without questioning the meaningfulness of their tasks and the goals they must achieve. At the same time, employees *a priori* trust the management and its ability to set the right goals. In an environment of intense control, characterized by the pursuit of SMART goals (where the very acronym indicates that it is good to be *smart* and to achieve *smart goals*), employees feel important because they are working toward the achievement of KPIs or key performance indicators. At the same time, in countries where English is not the official language, such and similar English terms are promoted to sound more important and convincing.

It is not surprising that in such an environment people lose sight of themselves, their aspirations and desires, but also their health, which leads to numerous so-called “diseases of civilization.” In this way, however, the conditions have also been created for strengthening the dark sides of human nature in the form of individualism, egoism, demonstration of power, immoderateness, and excessive consumption, as well as short-term orientation. However, the problems facing humanity are intertwined and interdependent. Everything depends on everything else and is realized through the actions of everything else. Therefore, a mental model based on individualism cannot be the basis for solving social problems. The development of humanity as a whole, as well as on an individual level, is possible on the basis of a unity in creativity rather than on the basis of control and regulation, which can create a deep sense of identity and purpose and overcome existing organizations that have become inadequate or obsolete. In such an environment, the dissolution of fragmentation is encouraged, i.e., a connection based on purposefulness but also on human similarities. New features are thus constantly created and energy is added to the system to move into new realms of creativity and purposefulness. The basic modalities for such action are continuous learning and cognition, critical questioning of knowledge, and the development of purpose, creativity, and imagination through dialogue and collaboration with others. Acting according to the principles of the

learning organization philosophy thus means strengthening and developing knowledge, but also logic, common sense, virtues, and the spirit of each individual. In this way, it is possible to lay the foundations for the development of a learning organization as one *“where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together.”*

This book can be useful for everyone who wants to work on their personal development and the development of the organizations they work in as learning organizations. Therefore, the content of this book may be of interest and use to entrepreneurs and managers working in both the profit and non-profit sectors who are looking for guidance on how to implement the ideas of the learning organization philosophy in their practice and with their staff. It may also be of interest to anyone who is wondering if it is possible to do things differently and if there is a scientific and theoretical basis for doing so. Thus, it may also be useful to a wider range of non-business-oriented readers who are interested in different ways of working and living. However, this book should be of greatest importance to students of the social sciences, especially business administration, who are studying contemporary management trends and, in particular, the learning organization paradigm, at the undergraduate, graduate, and doctoral levels. With the help of this book, students will be able to correctly interpret the characteristics of learning organizations and the challenges of their application, as well as critically evaluate the characteristics of management with the aim of their development according to the determinants of the learning organization concept. They are the ones who will take on the challenge of building and strengthening the democratization of labor and social relations based on learning, cooperation, and shared critical reflection.

This book was created as a result of research within the scientific research projects “Development of management in the entrepreneurial economy and society” grant number: 18-44 1174 and “The influence of the internal and external environment on the development of management” supported by the University of Rijeka.

Rijeka, Croatia

Nataša Rupčić

Contents

Part I Characteristics of a Learning Enterprise

1	Managing Human Capital and Learning: A Key Challenge of Modern Management	3
	References	8
2	A Modern Enterprise as a Learning Organization	9
	References	28
3	Learning Disciplines of Learning Organizations	31
	References	43
4	Management of a Learning Enterprise	45
	References	72
5	Knowledge Management: A Modern Core Competence	75
	References	89
6	Stakeholder Orientation: The Foundation of a Learning Enterprise	91
	References	99

Part II Challenges of Implementing a Learning Enterprise

7	Challenges of Individual Learning	105
	References	127
8	Challenges of Team Learning	131
	References	136
9	Challenges of Organizational Learning	137
	References	153
10	Challenges of Change: From Adaptation to Organizational Transformation	157
	References	172
11	Interorganizational Learning and Knowledge Transfer	175
	References	184

12	Learning—Forgetting—Unlearning—Relearning: The Learning Dynamics of a Learning Organization	187
	References	197
13	Intergenerational Learning and Knowledge Transfer	201
	References	209
Part III Possibilities of Implementing the Learning Organization Concept		
14	The Learning Organization as a Technology for Introducing the Socioeconomic Paradigm and Solving the So-called “Wicked” Problems	215
	References	222
15	Possibilities of Implementing the Learning Organization Ideas with Regard to Cultural Specificities	225
	References	243
16	Complementarity of Religious Indoctrinations and Spiritual Practices and Learning Organizations	247
	References	260
17	Critical Review of the Concept of the Learning Organization and the Learning Enterprise	263
	References	289
18	A True Learning Organization: An Organization of the People Committed to Spirituality	291
	References	306
	Index	309

Part I

Characteristics of a Learning Enterprise

Through learning we re-create ourselves. Through learning we become able to do something we never were able to do. Through learning we re-perceive the world and our relationship to it. Through learning we extend our capacity to create, to be part of the generative process of life.

—Peter M. Senge



Managing Human Capital and Learning: A Key Challenge of Modern Management

1

One of the most important features of the progress of the modern scientific, economic, and social system is its *self-acceleration*. Thus, each successive step of development rapidly provokes and promotes the next step. The development process is sometimes *erratic*, leading to disharmony between the various interacting factors of social development. This, in turn, leads to a need for new knowledge and skills, both among scientists and among entrepreneurs and managers. The modern economy is also undergoing rapid change under the influence of digitalization, and workers are focusing primarily on the management of data and information in the value-creation process, which is increasingly automated and supported by robots, i.e., artificial intelligence. Social and economic activity is thus becoming primarily informational.

The complex markets of the twenty-first century require the ability to deliver quickly and globally a variety of customized, high-quality, and environmentally friendly products that differ not only in form or function, but also in the accompanying services. Management processes focus on effectiveness, i.e., the effort to create the “right things,” i.e., those that can be realized in the marketplace and have an advantage over the competition. In this way, the offer is constantly improved and renewed based on learning about all the components of the value-creation process: technology, resources, and relationships with stakeholders. However, the added value realized in the market should also be created at the lowest possible cost and in the required quantity, taking into account resource consumption. Therefore, they aim to simultaneously optimize productivity, efficiency, and effectiveness.

In such an environment, the focus is on people, i.e., human work aimed at constantly designing and redesigning the system and optimizing its functioning based on a constant search for information and learning. The work is highly *intellectualized*, and a growing number of stakeholders are given access to an increasing amount of management information. Information resources are not centralized, but distributed throughout all levels of the organization, down to the operational units. Since information as a resource is used not only to improve the

functioning of the organization, but primarily in the entire work process and in solving operational problems, we can speak of the development of the *information economy* and the computer as a general work tool at all levels.

The main characteristics of information and telecommunication flows in the economy are *speed* (technology enables changes in every aspect of business in real time), *interaction* (linking products, people, companies, countries), and *ubiquity* (interconnection of information flows between different stakeholders for the purpose of the actual or potential creation of new value). Under the influence of information and communication technology, traditional barriers of time and space are breaking down. Modern technologies allow the development of a global market, tailored to specific needs, and enabled by communication links around the world. In this way, the structure of preferences is homogenized. Under the influence of new technologies, labor becomes more and more productive. The relationship between raw materials and the information contained in products is changing. More and more information and knowledge are being incorporated into products, making them *smarter*.

In this way, the decisive factor for success in an information-oriented economy is therefore no longer money, but *information, knowledge, and skills*. It can be concluded that managing human capital and especially the learning process becomes a fundamental challenge of modern management. The challenge becomes even greater when one considers that the modern economy is essentially one of potential and uncertainty, in which it is not only a matter of reacting quickly, but also of constantly seeking new ways to combine and recombine the factors of production in cooperation with a large number of stakeholders and to adapt in such a way that ultimately even the mission is changed or transformed.

It is important to look at problems systematically, in terms of the whole system and all the elements of the system, in order to identify the nature of the relationship and implications of the problem, but also the impact of the solution on all the elements of the system, i.e., on all involved stakeholders. This is also important because a situation may have long-term implications that may not be immediately apparent, but can be identified through careful consideration of the problem using a systems approach. In this way, it is possible to find a solution based on simulation that can integrate different perspectives. This requires a high level of intelligence, a broad range of knowledge and experience, but also enthusiasm for dealing with complex and uncertain situations.

In modern business, interconnection and cooperation among organizations is particularly important to achieve one or more goals, such as minimizing production and/or transaction costs, increasing the likelihood of maximizing profits through joint strategic action, such as cooperation in the research and development process, building common information systems, conquering new markets, etc., and acquiring or sharing knowledge. It should be noted, however, that the degree of flexibility and adaptability depends on the learning process, both at the individual and organizational levels.

Organizations learn incrementally in ways that identify deviations from established goals, norms, and routines and initiate appropriate corrective action. In

processes of interorganizational collaboration, organizations make incremental adjustments in joint activities, such as joint research and development activities, to achieve established goals. However, companies also examine when a significant change, i.e., a deviation from existing routines, is necessary to respond to new challenges. Then, as a result of the experimentation process, new solutions are designed in the form of organizational and functional changes that can take collaboration to a new level, i.e., lead to higher-order shared knowledge (Rupčić, 2017). In this way, it is possible to change the way of collaboration based on new opportunities and possibilities, which can lead to new learning and development opportunities to adapt to environmental conditions.

If this dynamic did not exist, organizations might get stuck in their “competency trap” (Simonin, 2017; Levitt & March, 1988). In other words, some knowledge and competencies would be perfected, but their repetition and application would become unnecessary or counterproductive because circumstances have changed. However, this process should be viewed as a continuum, i.e., the correction of existing routines and the introduction of new routines based on new competencies should occur simultaneously because not all competencies and routines become obsolete at the same time and their application is often very closely related and interdependent.

The management of human resources and their development can be considered the most effective means of promoting organizational change. However, the process of managing human resources, especially for the purpose of learning, is not easy and often leads to questionable or poor results. Therefore, human resources management should be considered as a *learning and networking process* that focuses on employees as the main actors in the design of human resources management activities, especially those of a strategic nature. In fact, human resources development should by no means be limited to various training programs related to the direct work of employees. In other words, a more *comprehensive approach* is required.

Therefore, employees should learn “*on the job*,” i.e., become familiar with their daily work so that they can perform it as well as possible, thereby increasing their productivity and efficiency. Various training and mentoring programs can help. For example, learn from both routine and project tasks, i.e., tasks that take a certain amount of time and are not completed until a certain goal is reached and a result is achieved. In this process, employees engage in problem-solving, experiment to find a solution, identify their own knowledge gaps, and set goals related to further learning, etc. In this way, employees can acquire various knowledge and skills and deepen their work experience. Learning is primarily *subject-based*, i.e. it relates to the performance of specific work or work tasks.

To work on their own development prospects, employees should also participate in programs that can help *develop their careers*. Career development is best based on the development of individual talents, and programs organized by companies or various other organizations such as universities, associations, etc. can be useful in this regard. Companies can develop the talents of their employees by first trying to identify them in collaboration with the employees, and then designing work tasks so that the tasks provide an appropriate level of interest and challenge, with the need to

continue learning. In this way, employees can benefit not only the enterprise by increasing their competence and motivation, but also themselves by obtaining more favorable employment contracts and improving their employability. Thus, in this process, individual and organizational goals, needs, and opportunities should be aligned for mutual benefit, and the overall impact cannot be determined *a priori*, but represents a potential that can take different development paths based on the newly acquired knowledge. Since it is a matter of acquiring different knowledge and experience for the purpose of developing career potential, it is fair to say that this process is based on a *joint problematization* of knowledge development and mutual development opportunities.

Poell and Van der Kroght (2017) also suggest an intermediate step in this process, namely the so-called “third way” of personnel development. In addition to participating in training and development programs, employees should establish contacts with other individuals and groups within and outside the enterprise who are colleagues and experts in their field. In addition, employees should engage in self-reflection, i.e., reflect on their results and development path. In this process, employees should also reflect on the norms and values on which they want to and can base their work and development, as well as the foundations on which they want to and can build relationships with other stakeholders, especially colleagues and experts inside or outside the enterprise. In this way, employees should be *explicitly strategic*.

The role of management is critical in all three aspects of human resource management and development. Management is primarily responsible for ensuring an appropriate organizational infrastructure for the delivery of learning programs as well as mentoring. However, management’s role is to ensure effective two-way communication so that employees understand how such activities can contribute to their development and how they can participate in the design of learning programs. The basis of this communication should be to maintain the *meaningfulness* and *appropriateness* of the communication, learning, and development activities (Rupčić, 2017).

In the relationship between managers and workers, and between workers themselves, it is useful to use the methods of *debate* and *rhetoric*, as well as *dialectic* (Hillon & Boje, 2017): Debate is essentially about convincing the other side that certain arguments are correct, and there is no room for compromise. Rhetoric, on the other hand, is used to inform the audience about something and to persuade them to take a certain action, which is a milder form of persuasion. Dialectic is particularly useful in the environment of a learning organization. It is a process in which participants attempt to discover the truth about a phenomenon or event. In the process, opposing arguments are welcomed and attempts are made to understand and integrate them. However, the synthesis of arguments can be considered as a state of current completeness or incompleteness, since the state of a phenomenon is constantly changing and taking different forms, behaviors and/or meanings under the influence of different internal and/or external factors that are intertwined in their actions. In this way, however, it is possible to constantly work on developing an understanding of the current reality and to adapt actions and behavior to the current

circumstances. A technique that can be helpful in this process is storytelling. If they do not act in this way, organizational stakeholders can very quickly reach a state known as TINA (“there is no alternative”) or NA (“no alternative”).

For a learning process to be continuous and purposeful, it is necessary to include another element, *learning from mistakes*. Management should also pay attention to the process of *error management* to ensure continuous learning and development (Bozoğlu et al., 2017). In learning from mistakes, it is important to pay attention to *noticing mistakes*. People are reluctant to point out their mistakes because they fear they may be accused of not doing something well and therefore being incompetent, less valuable, etc. Each individual can notice a mistake in their actions in such a way that they strengthen their own awareness and gain self-knowledge. Then they can work on eliminating the mistakes themselves, or they can ask others for help. They can also observe mistakes in other people and should point them out carefully and respectfully, but then let them correct the mistakes themselves or help them do so. At the same time, it is important to work on avoiding conflicts, i.e., to look for solutions. If the mistakes are too big and require more intervention, management should be informed. Errors can also be observed indirectly, in interaction with other people, and then it is also necessary to work in the way described.

Management can respond to employee mistakes by introducing punishments or turning mistakes into an opportunity for shared learning, and even expressing satisfaction that the mistake happened, so that the participants learn something and such mistakes are not repeated. Sometimes the occurrence of a mistake is an opportunity for new activities to make the process run in a different way, sometimes with a different goal. Thus, the occurrence of errors can be a turning point on the basis of which other goals can be achieved or existing goals can be realized in a different way. At the same time, it is clear that the frequent occurrence of the same errors is an opportunity to punish negligence when it is determined that the given course of action is the best and when the participant has not pointed out objective obstacles to the preferred course of action and has not suggested a different course of action.

It should also be noted that the error management process should not be overly formal or formalized and should take place in an organizationally flexible environment to ensure a sense of trust, commitment to goals, and mutual learning. This is also one of the aspects that is important to the process of error prevention. In other words, the systems, processes, and organizational structure should be such that they enable processes and activities to run without errors, i.e., they should not be the cause of errors by employees. So, designing the system and structure is an important task of management, but it is possible and meaningful with the participation of employees. Such an environment is the essence of developing and managing companies as learning organizations.

References

- Bozoğlu, O., Göktürk, Ş., & Günçavdı, G. (2017). Error management practices interacting with national and organizational culture: The case of two state university departments in Turkey. *The Learning Organization*, 24(4), 245–256.
- Hillon, Y. C., & Boje, D. M. (2017). The dialectical development of ‘storytelling’ learning organizations: A case study of a public research university. *The Learning Organization*, 24(4), 226–235.
- Levitt, B., & March, J. G. (1988). Organizational learning. *Annual Review of Sociology*, 14, 319–340.
- Poell, R., & Van der Krogh, F. (2017). Why is organizing human resource development so problematic? Perspectives from the learning-network theory (Part II). *The Learning Organization*, 24(4), 215–225.
- Rupčić, N. (2017). Managing people and learning – major challenge for modern managers. *The Learning Organization*, 24(4), 127–132.
- Simonin, B. (2017). N-loop learning: Part II – An empirical investigation. *The Learning Organization*, 24(4), 202–214.



A Modern Enterprise as a Learning Organization

2

The key term in the context of management and governance is organization. An organization can be any group of people united by a common purpose and in which each member plays a role. Thus, an organization is a group of people of different profiles working together to achieve a goal or set of goals. The basic building block of any organization is individuals. However, they can also be teams or groups of people who are guided by certain norms, i.e., rules of behavior (Rupčić, 2018:2). However, according to some views (Harari, 2014), there is no such thing as an organization, i.e., it should be viewed differently. Organization should be understood as a collection of cognitive constructs about the reality that are shared by members of a group and that make them think and behave in a certain way.

For an organization to continue to exist and achieve certain results, its members must share ideas and opinions about its activities and regard them as valid. However, an organization can exist even if its members do not believe in the validity of certain principles and values, as long as they behave in the desired manner and perform the tasks assigned to them. It is fair to say that such organizations operate according to mechanistic command and control principles supported by elements of structural complexity such as systems, processes, procedures, and rules. In many organizations, human behavior is modeled in desired ways, e.g., for dealing with superiors, customers, the media, and so on.

On the other hand, there are views of the organization as an organic and flexible system based on a particular value system and the development of the behavioral diversity of its empowered members. So the question arises: *Is the organization a mechanistic system that needs to be regulated and managed, or is it a community of people that needs to be led and managed?* In other words, the question is what is more important: systems and processes or people, leadership, and learning? We can also look at the problem this way: *Are organizations money-making machines for their owners, or are they communities of people in which individuals fulfill their purpose and contribute to the development of society?*

In this sense, Robinson (2020) considers the dilemma of the key components of natural and social systems. Natural systems are governed by the laws of physics,

whose main element is energy, while social systems are governed by power-based structures. Some arguments about the corporation as a money machine derive from the fact that people create ventures with the intention of making money, which is what agency theory deals with specifically. However, history has shown that people act entrepreneurially to solve a problem and thus make life easier and more enjoyable for themselves and/or others. In doing so, entrepreneurs commit certain resources, invest time, and use their knowledge and skills, which they improve through further learning. Therefore, workers are entitled to compensation from those who benefit from their work and solutions, namely the owners. The division of labor based on knowledge and skills leads to significant productivity and efficiency gains, which are further enhanced by automation. However, even the most repetitive tasks cannot be fully automated. This is because employees must constantly search for opportunities for improvement and optimization, which is reflected in the learning curve.

Every activity involving people is different because people are different. They have different skills and knowledge, but also character traits that can be a source of chaos, but also of extraordinary discoveries and innovations. Nowadays, people spend most of their lives at work. Therefore, they cannot be expected to mechanistically complete tasks for decades and maintain or even increase the same level of productivity. People need a sense of purpose and meaning. They should be encouraged and inspired to learn and make an entrepreneurial contribution to organizations. Humans are a part of nature and an extension of it. Therefore, the fundamental element of nature—*energy*—is also reflected in social systems through individual and collective or synergistic creativity, imagination, and creativeness.

For this reason, it is also important to consider people as human beings, not as *human resources* or *personnel* whose behavior must be regulated and monitored, and whose results are evaluated according to criteria often designed by those who are not even involved in the work processes. Management is thus a process in which the leader, the followers, and the system are constantly changing and evolving, often in ways that could not have been foreseen. It is therefore useful to recall Taylor's (1911) ideas on harmony, i.e., the importance of cooperation and harmony between managers and employees and the development of all to the greatest possible efficiency and well-being. It would be useful, then, to return to the fundamentals and principles defined by Taylor, Fayol, and Parker Follett (Rupčić, 2018) and not distort them to achieve short-term goals at the expense of many. The concept of the learning organization can be very useful in this regard.

The notion of learning organization is not a completely new concept. If we analyze the ideas of this philosophy, we can see that its foundations were laid by Mary Parker Follett. Parker Follett (1868–1933) had knowledge of philosophy and political science, but also studied social psychology and applied this knowledge to the field of management. Parker Follett pointed out the importance of the human factor and advocated a high level of cooperation between management and employees.

This implies the abolition of strict and exaggerated hierarchical relations, i.e., relations of strict superiority and subordination, and the introduction of a high degree

of *democratization*. The fundamental role of management thus becomes integrative (Follett, 1940) in the sense that it integrates and coordinates the interests of the subjects interested in the company's activity. This refers primarily to the relationship between management and workers, where the role of management is to work on the development of a *community* where harmony prevails and conflicts are resolved through dialogue and joint search for the best solution. The community is also an opportunity for individuals to develop and pool their knowledge and talents to achieve the desired goals.

Such an organization implies various tasks of managers. They act as *integrators* and *facilitators*, i.e., people who connect employees, integrate their knowledge, skills and abilities, promote cooperation and harmonious work, and facilitate the work of employees by removing obstacles to their efficiency. Employees with their knowledge, skills, and abilities are the foundation of the company's operations. Therefore, it is important to motivate them to a high level of identification with the goals and develop a high level of individual and collective responsibility. Conflicts can be minimized if there are defined overriding or fundamental goals on which there is consensus (Follett, 1918).

The evolution of the concept of the learning organization can be traced through the works of numerous authors and practitioners. Garratt (1990) notes that the desire to create an organization capable of dealing with learning-induced change had emerged in early history and asserts that by 1947 all the conditions were in place for the creation of an intellectual and practical foundation for the development of a learning organization. The author points to the creation of an "intelligent unit" formed by Sir Geoffrey Vickers at the *National Coal Board* (NCB) and consisting of a "triumvirate of thinkers": Reg Evans, Fritz Scumacher, and Jacob Bronowski. Garratt singles out Revans as a highly influential person in developing the concept of the learning organization. Revans conceptually likened the organization to an organism that must increase its ability to learn if it is to function successfully in a changing environment. He argued that the organization, like any organism, must be able to learn at a rate that matches or exceeds the rate of change in the environment. In this sense, Revans particularly advocated learning by individual employees within the organization.

The concept of the learning organization has its roots in many different approaches and theories. Cybernetics theorists such as Beer, Miller, and Rice (systems theory), Forrester (systems dynamics), and Argyris (organizational learning) have had a major influence on the development of the idea of a learning organization. The term "learning organization" has its roots in companies such as Royal Dutch/Shell, where Arie de Geus¹ described learning as the only sustainable competitive advantage (Skryme, 1995). He saw the learning organization as a response to the unpredictable and dynamic business environment. He also believed that the ability to learn faster than the competition is probably the only source of sustainable competitive advantage.

¹Arie de Geus was the director of strategic planning in Royal Dutch/Shell.

Many authors, projects, and events have contributed to the development of the idea of a learning organization. The following describes the evolution of the philosophy of the learning organization (Timeline of Learning Organization, 2002):

- 1938, John Dewey published the concept of experiential learning as a continuous cycle of activities in his book *Experience and Education*.
- 1947, At the *Macys Conference* organized by Margaret Mead, the idea of systems thinking was presented by Gregory Bateson and Lawrence Kubie to an interdisciplinary group of leading intellectuals.
- 1940, Scottish psychologist Kenneth Craik coined the term “*mental models*,” later developed further at MIT by Martin Minsky and Seymour Papert.
- 1946, Kurt Lewin, co-founder of the National Training Laboratory, proposed the idea of “*creative tension*” between an individual’s vision and their perception of reality.
- 1947, Margaret Mead and Lawrence Kubie introduced the concept of “*systems thinking*” in the field of organization.
- 1956, Jay Forrester began to develop the idea of “*systems dynamics*.”
- 1960, Douglas McGregor’s book *The Human Side of Enterprise* was published.
- 1961, Jay Forrester published the book *Industrial Dynamics*. This is the first work on system dynamics in business, describing order turbulence in a typical power tool value chain.
- 1964, graduate students at MIT developed the “*Beer Game*” to illustrate industrial dynamics, one of the first simulations of system operation.
- 1969, Jay Forrester published *Urban Dynamics*, codifying the “*shifting the burden*” archetype.
- 1970, Chris Argyris and Donald Schön started a collaboration in *Action Science* to examine how existing and accepted values conflict with the values on which actual activities are based.
- 1972, Dennis Meadows, Donella Meadows, et al. published *Limits of Growth* for the Club of Rome, applying Forrester’s systems dynamics to “world problems”; leading to angry reactions from economists.
- 1973, Don Michael published *Learning to Plan and Planning to Learn*, a book for managers shaping business policy, which introduces the idea of organizational learning for the first time.
- From 1971 to 1975, Erhart’s seminars and trainings show how powerful changes in approach can occur in seminars that last only a few days.
- 1974, Chris Argyris and Donald Schön published the book *Theory in Practice*.
- 1975, Charlie Kiefer, change management consultant, Peter Senge, Forrester student, and Robert Fritz, creative process researcher and artist, created the “*Leadership and Excellence*” seminar, which became the central theme of their consulting firm, *Innovation Associates*.
- 1982, Forrester students and *Innovation Associates*’ consultants Jennifer Kemeny, Kiefer, and Senge, working for *Procter & Gamble* and helping them develop sociotechnical systems, developed systems archetypes. That same year, Pierre Wack, scenario planner at Royal Dutch/Shell, spends his sabbatical at *Harvard Business School* and writes an article on scenario practice as a learning activity.

1984, Senge, Arie de Geus, Bill O'Brien, CEO of Hanover Insurance, Ray Stata, CEO of Analog Devices, and other managers formed a learning organization study group that met regularly at MIT.

1985, Chris Argyris, Robert Putnam, and Diana McLain Smith published the book *Action Science*.

1987, Senge and de Geus began co-authoring a book based on their earlier work together. De Geus published his ideas in a seminal article in the *Harvard Business Review*, concluding that "the greatest competitive advantage for any organization is its ability to learn."

1988, Peter Schwartz, Stewart Brand, Napier Collins, Jay Ogilvy, and Lawrence Wilkinson founded the *Global Business Network* with the goal of supporting organizational learning through the scenario planning technique.

1989, Senge and de Geus decided to work on separate books. Senge completed his manuscript for the book titled *The Fifth Discipline*. Bill Isaacs, Oxford College graduate and collaborator with quantum physicist David Bohm, introduces Senge to Bohm and the concept of dialog as a process for building team capability.

The Center for Organizational Learning was founded, of which Peter Senge was the director, while the consultants were Ed Schein, Chris Argyris, Arie de Geus, Ray Stata, and Bill O'Brien. Collaborators of the so-called "*Learning Center*" were Daniel Kim, systems researcher, Janet Gould, Bill Isaacs, Fred Kofman, and George Roth, who later co-authored the book *Dance of Change*.

In that same year, the *Systems Thinker newsletter* emerged, which was the first permanent publication on topics related to the "fifth discipline." The parent organization, Pegasus Communications, established an annual conference entitled "*Systems Thinking in Action*."

That same year, Charles Handy published the book *The Age of Unreason*.

1990, Senge published *The Fifth Discipline*, a work consisting of several parts based on the contributions of numerous authors: Systems Dynamics and Personal Mastery based on Fritz's work and the concept of creative tension, Mental Models on Wack and Argyris's work, Shared Vision comes from the tradition of organizational change at *Innovation Associates*, and Team Learning has its roots in the concept of David Bohm and the idea of dialog.

1992, the popularity of the learning organization "community" grew, and 350 people from around the world gathered for a four-day conference in Bretton Woods, in the U.S. state of New Hampshire.

1993, David Garvin, a professor at Harvard College, published an article on organizational learning in the *Harvard Business Review*, arguing that only measurable learning can benefit managers.

1994, Senge's book *The Fifth Discipline Fieldbook* was published, co-written with Senge by long-time learning organization consultants Charlotte Roberts, Rick Ross, Bryan Smith (who is also president of *Innovation Associates* of Canada), and Art Kleiner, who became editor. The Fieldbook concept is emerging as a new genre of management books.

Philip J. Carroll became CEO of Shell Oil Company and drove the company's four-year initiative to transform itself into a learning organization.

At the *Center for Organizational Learning*, development begins on the innovative “learning history” method, which uses specific techniques to assess organizational learning.

- 1995, the *Center for Organizational Learning*’s first visible projects were completed, many of which produced extraordinary results. The Center, in collaboration with Dee Hock, CEO of VISA, started a two-year process to become an international consortium called the *Society for Organizational Learning*. Peter Senge was appointed the first President of the Board of Directors of the Society. Numerous seminars and workshops were launched in 1993 at the *Learning Center* and then at the *Society for Organizational Learning*, later sponsored by the authors of the *Fieldbook*, to contribute to a better understanding of the forces that impede the sustainability of organizational learning projects. This led to the creation of Senge’s unpublished work, “*The Ecology of Leadership*,” in which he develops the idea of “*innate challenges of profound change*.”
- 1996, Arthur D. Little bought *Innovation Associates* and became one of several consulting firms, along with *Anderson Consulting* and *Ernst&Young*, that invested heavily in building the capabilities of a learning organization. That same year, Art Kleiner published the book *The Age of Heretics*, and Joe Jaworski published *Synchronicity*.
- 1997, Jack Welch stated in General Electric’s annual report that the only competitive advantage of GE is its ability to learn. Arie de Geus published the book *The Living Company*.
- 1999, Senge’s book *The Dance of Change* was published, addressing the “challenge of profound change.”

In disseminating the idea of the learning organization, it is worth noting the important contribution of Peters and Waterman (1982), who in their best-selling book *In Search of Excellence* argued for the widespread application of the learning organization concept, emphasizing the importance of adaptability and responsibility. In their book, Peters and Waterman state that excellent companies are learning organizations. Deming’s 14 quality principles can also be viewed as a foundation for broader acceptance of the learning organization ideas. However, it was not until the publication of Peter Senge’s book *The Fifth Discipline* that this concept found wider application in business practice.

From the presented chronology of the development of the idea of a learning organization, it can be concluded that it has matured over the years and developed as a mosaic to which numerous authors have contributed. Although Peter Senge is considered the father of the learning organization and his *Fifth Discipline* is the main work whose publication marked the beginning of the life of this philosophy, by no means should all the merits be attributed to him alone. This idea is the result of the work of numerous experts, their students, but also practitioners who have studied the ideas in a practical environment. Since the concept of the learning organization has been developed, matured, and supplemented for decades, it can be assumed that it is not just another fad in management, but a philosophy that, with its holistic approach, for the first time attempts to reconcile the opposing sides of the enterprise and its

employees and other stakeholders. Moreover, it presupposes the creation of an environment in which the achievement of objectives is natural and reinforcing, while ensuring sustainability. The idea that acts as a unifying force between managers, as representatives of the owners, and employees is learning as a natural human need to develop potential and achieve personal well-being and satisfaction, but at the same time it is also an obligation for the enterprise, as it is the only way to ensure its long-term survival.

No consensus was reached in defining the concept of the learning organization. However, there is an overlap in the definition of this concept by different authors. Peter Senge (1990) defines a learning organization as one *“where people continuously increase their ability to create the results they truly desire, where new and evolving thinking patterns are nurtured, where collective aspiration is unleashed and where people continuously learn how to learn together.”* Senge thus emphasizes collaboration and achieving synergy based on a shared vision and intrinsic motivation. For Senge, an organization’s results are a consequence of individuals working together synergistically. Senge states that a learning organization is one that *“continually increases its ability to create its future.”* Leithwood et al. (1995) also emphasize the individual level, i.e., the work of individuals united by a common purpose, and define a learning organization as a group of people pursuing a common purpose, but at the same time individual purposes, with a collective commitment to regularly assess the value of that purpose, change it in meaningful ways, and continually develop more efficient and effective ways to achieve it.

Other authors, following the principles of the learning organization concept, focus on the organizational context and work results. In this context, the concept of Ross et al. (Senge, 1994) represents a transition from synergistic individual learning to collective learning. They describe the learning organization as one in which learning is a continuous testing and transformation of experience into knowledge that is available to everyone in the organization and that is relevant to the fundamental purpose of the organization. Handy’s idea of permanent transformation is consistent with Pedler et al. (1991) approach that the essence of a learning organization is to enable learning by all its members and to continually change itself. Garvin (1993) defines a learning organization as one that can create, acquire, and share knowledge and change its behavior according to new knowledge and insights. Similarly, Cummings and Worley (1993) define a learning organization as one that has a strong capacity to learn, adapt, and change. It is an organization in which learning processes are analyzed, developed, monitored, and coordinated with the organization’s innovation and development goals. Therefore, it should be noted that the learning organization is not an organization in which formal forms of individual learning are promoted and incentives are used in the sense of necessity, reward, or coercion, but a purposeful collective process focused on organizational development.

In defining the learning organization, other aspects are brought to the fore, such as action theory and action learning. For example, Argyris (1993) sees the learning organization as one in which individuals act to learn and create results, and all knowledge should be generalized and designed to be used for action. Garratt (1995)

assumes that an organization is based on action-oriented learning, where people's energy and knowledge are released at every moment of the work cycle. Watkins and Marsick (1993) primarily emphasize the collective or joint action of organizational members, explaining that a learning organization is one that continuously learns and changes, and in which the organizational capacity for innovation and growth is constantly increasing. Peters (1996) also emphasizes the importance of action learning as a development methodology of a learning organization. Wright and Belcourt (1995) especially emphasize the importance of on-the-job training as a means of putting theory into practice, which is a tangible and recognizable sign of action for managers and employees. They link training and training programs to the organizational learning process, thereby strengthening it.

Pedler et al. (1997) also point out the importance of collective action for survival and growth, vividly emphasizing that an enterprise is an organization like a fountain, where energy and life mean growth and survival, and the members of the organization are part of this fountain. Jashapara (1993) also emphasizes the collective action of learning at the individual, team, and organizational levels, explaining that a learning enterprise is an adaptive enterprise that promotes purposeful individual, team, and organizational learning to meet the changing needs of customers while understanding the dynamics of competitive forces and promoting systems thinking. To this end, Marquardt and Kearsley (1999) emphasize the importance of technology in the process of learning and applying knowledge, noting that a learning organization builds a strong capability to collect, store, and share knowledge as it changes to be successful, empowering people inside and outside the organization to learn as they work. A key component in this process is the use of technology to optimize learning and productivity. However, White (1994) particularly emphasized the importance of changing thinking and behavior based on learning and knowledge, but also the process of transforming information into knowledge and the impact of this process on the development of creative learning. In this sense, Mumford (1996) particularly emphasizes the importance and role of leaders in creating a learning organization and a learning environment. In this regard, Drew and Smith (1995) cite organizational readiness and strengthening the ability or capacity to capitalize on unexpected and rapid change as the desired end result.

From the various concepts of the learning organization philosophy, it can be concluded that a learning organization is one whose members strive to create the future they desire and who see the learning process as a continuous and creative activity through which this goal can be achieved. Such an organization is organized in such a way that it enables its members at all levels—individual, team, and collective—to continuously improve their skills to achieve the results that matter to them. Thus, a learning organization evolves and adapts to new conditions, i.e., it transforms to meet the needs and aspirations of people inside and outside the organization. For the purposes of implementing this concept, a learning organization can be understood as one that has developed systems for creating, acquiring, interpreting, sharing, storing, and applying knowledge that is used to improve and develop individual and collective action. This understanding of the concept of the

learning organization has a necessary consequence—a change in organizational behavior based on the learning process.

If the learning organization concept is properly understood, it can be concluded that both individuals and the organization as a whole have the capacity to learn. Individuals are in the organization for performing tasks, but also for learning, and their knowledge is stored in organizational memory systems in a learning organization. Therefore, a learning organization can be defined as follows (Rupčić, 2008):

A learning organization is an organization in which individuals, as organizational agents, learn, and their knowledge is encoded in organizational memory in the form of routines, procedures, systems, processes, dialogs, and symbols in an organizationally acceptable manner and thus integrated into the organizational culture.

This perspective in defining a learning organization can be deepened by considering the logical implications of the learning process at both the individual and organizational levels. Genuine learning results in challenging the basic assumptions of action in a way that promotes behavior change. Since knowledge is a fundamental resource in the value-creation process, the process of behavior change at the organizational level can be linked to innovation shifts in the value-creation process. Therefore, by developing this approach to defining a learning organization, the following definition can be identified:

A learning organization is one that builds systems for acquiring and sharing knowledge and views learning as a continuous, strategic process that leads to changes in knowledge, beliefs, and behaviors, thereby increasing the organization's capacity for innovation and growth.

Considering the above findings, it should be defined what a learning organization is not by using the method of distinction:

A learning organization is not an organization in which there are opportunities for spontaneous individual learning, i.e., it is not an organization in which there are programs to train individuals without efforts to codify that knowledge organizationally.

In other words, no amount of individual effort will contribute to organizational learning unless individual knowledge is systematically integrated into organizational memory processes, i.e., unless knowledge is routinized. Figuratively speaking, a learning organization is systematically designed to store knowledge in the organization's "brain."

The concept of the learning organization or enterprise is related to workplace learning and investment in employee training. The concept of Total Quality Management has been particularly important in developing a concept of learning and training in the workplace. In this sense, people learn as they perform their work, and this experience helps them improve results and increase quality. In this context, however, we cannot speak of the concept of the learning organization. Here we are talking about learning from experience and learning of individuals through participation in educational programs, which can support organizational learning if this

knowledge is applied at the individual level, but also at the organizational level in the sense of codification of this knowledge. At the same time, it should be mentioned that learning has the greatest impact when it is action-oriented, and action-oriented learning is also one of the most important components of a learning organization. However, this type of learning is still closely tied to a specific work context, highly individualized, and does not guarantee organizational impact in terms of codifying knowledge and permanently changing organizational behavior. The following definitions of a learning organization as:

an organization in which employees are motivated to learn and share their knowledge with others,

or

organizations in which there is continuous education and training in the sense of developing a partnership between the organization and the individual,

or

an organization in which everyone, in every department and at every level, learns continuously throughout their working lives in order to strengthen themselves (Choppin, 1997)

therefore, must be considered deficient.

However, many managers consider a focus on educational programs as their most important contribution to building a learning organization. Their goal is to “raise the overall educational, knowledge, and skill levels of their employees” in order to build a learning organization. In this sense, the difficulty is that there are no appropriate measurement mechanisms to determine the results of education and training programs and their value to the organization. Therefore, they are looking for targets to “measure” learning effects and correct deviations. Managers who understand the concept of the learning organization in this way also conclude that it is necessary to identify and invest in the educational programs that have the greatest leverage on labor efficiency. It is clear that in the current conditions of the fourth technological revolution, technical and technological education programs are predominant. For this reason, managers design training programs that relate directly to the technical aspect of individuals’ work in order to increase their efficiency. In this way, one arrives at the following flawed definition of a learning organization, which logically derives from the prevailing management understanding of the concept of a learning organization:

A learning organization is a group of people who continuously strive to improve the work they have done so far in order to improve their previous results.

This approach reveals not only a misunderstanding of the concept of a learning organization in terms of its components, but also a fundamental misunderstanding that a learning organization is a destination: increasing the number of educational

programs will improve capabilities and thus outcomes. Focusing on improving past activities and outcomes does not lead to changing the organization according to identified and anticipated trends, does not strengthen innovation activities, and does not lead the organization to develop in a direction that would bring results in the future. Therefore, this understanding of the learning organization is wrong. However, if we want to emphasize the dimension of workplace learning and its importance in the development of a learning organization, the following definitional approach can be proposed:

A learning organization is one in which individual learning is a continuous process, strategically determined, integrated into work tasks, but also parallel to them, systematically guided and directed, and integrated into organizational memory systems.

It should be noted that a learning organization or enterprise has a strong orientation toward its stakeholders and cooperates with them in terms of learning and value creation. This leads to a following conclusions:

A learning enterprise is such an organization in which the processes of organizational learning and development are continuous, based on the synergistic effect of the learning process and the development of the potential of all members of the enterprise, but also of the members of other enterprises and organizations with which the enterprise enters into various forms of cooperation or partnerships, with the aim of continuous and conscious transformation of individuals, companies and the environment.

If we talk about the object of learning in a learning organization or its “syllabus,” it can be represented as follows (Peters, 1996): It is an organization that carries out changes in various areas. In this organization, people learn primarily *about the work being done in the organization* and look for ways to improve it. This segment of learning relates specifically to individual learning and is related in part to Senge’s concept of the discipline of personal mastery. In this context, it is fair to say that learning about work requires a twofold understanding²: understanding the technical aspects of work and understanding the dynamic interaction of people in a collective.

In such an organization, one also *learns how to achieve organizational alignment* in the sense of creating shared values or mental models (as Senge calls them) that enable alignment of organizational culture and strategy. Collins and Porras (1994) refer to this goal as “ideological indoctrination.” In this way, employees should be enabled to do their jobs properly without the need for constant and direct supervision and control. This process is related to the process of emergent strategy development as a collective decision of organizational members based on shared learning, collective reflection, knowledge sharing, dialog, and awareness of specific events and phenomena. Emergent strategy development is a direct expression of organizational

²It should not be forgotten that both aspects are mutually tightly connected. Deficiencies in one or another area are the reason for the fact that many excellent technicians and engineers turn out to be bad managers, and many managers spend more time playing political games instead of performing managerial tasks.