

# Conceptual Analysis of Learning Organization as a Contemporary Organizational Theory

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## Abstract

The concept of organization is developing in the world of private organizations, especially in developed countries, as one of the responses organisations must make in facing changes in an increasingly complex organizational environment. This study aims to determine the conceptual learning organization as a contemporary organizational theory. This study used a qualitative research method with a descriptive approach. Data collection techniques were carried out by exploring journals, books and other information relevant to the study. The study results show that the current learning organization model is an alternative organization that can survive in the globalization era, which is identified with a rapidly changing (dynamic) situation. Therefore, the organization must facilitate the learning process for all members and continuously carry out self-transformation.

**Keywords:** Conceptual, Organizational, Learning, Contemporary.

One of the contemporary approaches in organizational theory applied in the 1990s was the concept of learning organization and later translated into Indonesian into a learning organization. The literature shows that this concept is developing in the world of private organizations, especially in developed countries as one of the responses that organizations must make in the face of changing increasingly complex organizational environments. Burnes (2000) for example states that organizations today face the pressures of globalization, technological changes, the development of e-commerce, the existence of situations where customers and suppliers can act as competitors as well as partners, changes that increasingly emphasize aspects of quality over quantity. Faced with such challenges experts state that

organizations are required to have sensitivity and responsiveness to the need to acquire and use large amounts of knowledge. In this way, the organization will be able to make changes so that it remains competitive with other organizations. In fact, it is said by Jones (2007) that organizational learning is a very vital process for today's managers to manage organizations in a new, more efficient way.

This concept in Indonesia was then introduced by the State Administration Institute as one of the educational and training materials for echelon II officials which is now called Leadership Training. This has been motivated by the idea that public organizations in the country in the 1990s were faced with increasingly complex environmental changes. Especially since the occurrence of the economic crisis and

monetary crisis which eventually continued to become a multidimensional crisis in various aspects of the life of the nation and the Indonesian State. Government organizations in dealing with changes in the external environment can no longer rely on the old ways, for example by changing the organizational structure, but changing the behavior or culture of management that has been practiced that has been practiced which is considered ineffective and efficient. Thus, conceptually, the officials or managers of government organizations through the Level II Leadership Training have preliminary knowledge about the need to apply learning organizations in making changes in government organizations. However, it seems that the concept of learning organizations cannot be fully understood, this is seen from the reality on the ground that public organizations have not been able to realize themselves as learning organizations. Based on the background of these problems, this paper limits the problem to the problem of not fully understanding the concept of learning organizations in public organizations. Thus, the problem that can be formulated in this paper is how is the concept of learning organization in the organizational theory approach? The obstacles faced by organizations in building a learning organization and critical of what arises from the concept of learning organization as one of the contemporary approaches in organizational theory.

## DISCUSSION

### Learning Organization In Organizational Theory

To discuss the concept or theory of the organization of learning, it is necessary to first discuss where this theory is positioned in the overall theory of organizations. The theory of organizations as stated by Tompkins (2005) is a study of how and why complex organizations behave as they do. Organizational theory examines the formal structure of organizations, internal processes, external barriers and the way

organizations influence and are influenced by their environment (Tompkins, 2005: 1). Similarly, the opinion of Jones (2007) states that organizational theory is the study of how organizations function and how organizations affect and are influenced by the environment in which organizations operate.

In addition, Robbins and Barnwell (2002) added that organizational theory is a macro approach whose unit of analysis is not only the organization itself but also the core sub-sub-unit within the organization. Organizational theory focuses on organizational behavior and uses a broader definition of organizational effectiveness and is not only focused on the performance and attitudes of members but also on the overall ability of the organization to adapt and achieve its goals. Based on this briefing, one of the things that attracts organizational theorists is the efforts of organizations to adapt, influence and be influenced by their environment as a consequence of an open system. One of the efforts that concerns the organization's experts is about the concept of learning organization or sometimes also called organizational learning. In this case, the position of the learning organization will be examined in the literature on organizational theories.

In some literature on organizational theory, learning organization is one of the discussions related to organizational changes made in organizations. For example, Gareth R. Jones in his book *Organizational Theory, Design and Change* (2007) places learning organization as one of the approaches taken by organizations in carrying out organizational change, in addition to other approaches. Jones (2007).

Mentioned learning organization as a necessary process for organizations to adapt, modify and change the organizational environment so that the organization can maintain its survival. Even Jones attributes this approach to the decision-making process within the organization. He mentioned that the decision-making process in the organization will be successful if the organization has the ability and

capacity to study old inefficient behaviors and behaviors. Furthermore, Jones also stated that the implications of the decision-making process and the organization of learning, organizations must be able to build knowledge management by utilizing as optimally as possible the development of information technology and communication.

Similarly, Burnes (2000) in his book on *Managing Change: A Strategic Approach to Organizational Dynamic* places learning as one of the approaches to making organizational change. He even said that learning organizations are one of the paradigms that dominate the thinking of managers in the Western world that developed in the 1980s and 1990s. At that time in the Western world there were three approaches used in organizations, namely the culture-excellence approach, the Japanese Management approach and Organizational Learning. Another interesting opinion expressed by Burnes that one of the factors increasing the attention of the Western world to the concept of learning organization is the increasing penetration of Japanese companies into the market of Western countries. According to him, this is due to one of the abilities of Japanese companies to increase the speed at which they collect information about the market and competitors, and then the information is distributed and used as the basis for internal organizational actions. Not only that, according to him, Japanese companies in addition to having the ability to learn, adapt and develop are also supported by a commitment to carry out an ongoing internal improvement process. That's why Burnes mentioned that awareness of the importance of collective learning for organizational success not only increases attention to the concept of learning organization, but also becomes a bridge between Western and Eastern approaches in managing organizations. Citing the opinions of Probst and Buchel, Burnes states that learning organizations are an alternative paradigm by which systems in

organizations can be changed and allow us to redefine economic and societal life.

Based on this description, it can be concluded that the concept of learning organization is a unique contribution to organizational theory, especially related to the study of organizational change in facing challenges and environmental changes. Organization as an open system as stated by Katz and Kahn (in Robbins and Barnwell, 2002) has three main characteristics, namely moving towards growth and development, maintaining balance and maintaining its ability to adapt to the environment and using various means to achieve its desired goals.

#### Development of the Learning Organization Concept

Based on some literature (Yeung, et al., 1999; Burnes, 2000; Gilley and Maycunich, 2000) see that the concept of learning organization or organization is not actually a completely new concept. Yeung, et al.. explained that the concept of organization as a learning system has been developed since the 1900s. Frederick Taylor, who developed scientific management theory, believes that if management articulates or measures truth, then this learning can be transferred to other employees so that it can improve organizational efficiency. Subsequently in the 1950s, this concept of organizational learning was sharpened and defined by a number of organizational theorists at Carnegie Mellon University such as Richard Cyert, James March and Herbert Simon. In 1958 March and Simon wrote that "As we can see that standard operating procedure as an organizational choice is strongly conditioned by the rules by which they apply. These rules further reflect the learning process of the organization with which the organization adapts to its environment" (in Yeung, et al., 1999). Furthermore, they conducted various studies related to the learning process of organizations, one of which was carried out by Herbert Simon and friends was research on decision making in organizations.

Another study that has led to attention to today's learning organizations is research conducted by Chris Argyris and Donald Schon. Based on the results of their research they introduced the difference in concepts between first-level learning and second-level learning (Yeung et al., 1999). The first level of learning is then known as single-loop learning, which is related to increasing the capacity of the organization to achieve known goals and is usually related to routine learning and is related to behavior. In a single-loop, the organization goes through the learning process without significant changes. Meanwhile, the second level of learning or also known as double-loop learning is to reevaluate the nature of the organization's goals and the values and beliefs around it. This type of learning includes changing organizational culture. For example, the organization's efforts to increase profits in the short term with increased investment in research and development to ensure long-term competitiveness. According to Argyris and Schon (in Yeung, et al., 1999) single-loop learning rarely leads to significant changes from the basic assumptions built by organizations, whereas double-loop learning recognizes changes in the culture that organizations embrace. On the basis of both models, Bateson (1972, in Burnes, 2000) developed another learning model he called triple-loop learning, which included questions about the reasons for the organization and the reasons for the radical transformation. For example, an organization engaged in the traditional manufacturing industry seeks to find itself as a company engaged in services that carries implications for fundamental changes in the culture, structure and practices of the organization.

## RESEARCH METHODS

This research is a qualitative research with a descriptive approach. Qualitative research methods are research methods that focus on in-depth observations. Therefore, the use of

qualitative methods in research can produce a more comprehensive study of a phenomenon. Qualitative research that pays attention to humanism or individual human beings and human behavior is the answer to the realization that all the consequences of human actions are affected on the internal aspects of the individual. These internal aspects such as the beliefs, political views, and social background of the individual concerned (Ardianto, 2019). According to Ansori (2019) the descriptive method is carried out by describing facts which are then followed by analysis, not only deciphering, but by providing sufficient understanding and explanation. The data collection technique is carried out by exploring journals, books and other information relevant to the study. The source of data that becomes material is the results of research data and books, journals, articles, and similar things obtained through Google Scholar.

## CONCLUSION

Organizations whether private or public organizations in the face of the challenges of globalization today are increasingly required to be competitive. One of the key competitiveness is the mastery of science as the key for the organization to be able to survive and develop itself. Organizations are increasingly required to build a knowledge management by utilizing as optimally as possible the development of information and communication technology. In other words, organizations are required to build a learning organization. Today's learning organization model is an alternative form of organization that can survive in the era of globalization which is identified with a rapidly changing (dynamic) situation. Therefore, the organization must be able to facilitate the learning process for all members of the organization and continuously carry out self-transformation. Because in essence that in a learning organization its individuals develop the capacity to create and develop new thoughts both

individually and collectively, and continuously carry out learning about ways of learning together. However, the organization in developing itself towards the organization of learning is not easy. Organizations will face various obstacles both individual and

organizational in developing themselves towards the organization of learning. That's why perhaps the concept of learning organization as a concept in contemporary organizations still causes various criticisms.

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