

# An Empirical Study on Organisational Learning Capability in It Industry

S Jyothi Kannipamula, Srinivas Rao D

**Abstract:** Organizational learning is a concept of individual learning as a continuous process. It influences directly or indirectly in which organizations justify the fact that many theories on organizational learning are based on observations of individual learning and of the organization. After careful literature review, the paper is planned to present empirical analysis of employee's learning capability in various organizations. Results show that there is no significant difference between experience, qualification and learning capability of employees. The study is limited to minimum respondents.

**Index Terms:** Learning Organisation, Organisational learning capability (OLC), Individual learning.

## I. INTRODUCTION

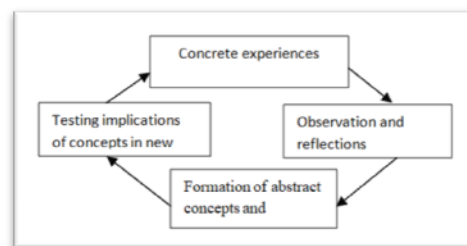
Organisational learning is an essential process in the fast changing business environment. It is considered by academics and practitioners due to its expanded scope. This concept has been dealt in the literature by many researchers as it is facilitating organisations to learn and build skilled workforce.[2]-[3]Easterby – smith and Lyles points out the necessity for development of valid instrument for measuring organisational learning. Various scales are developed by authors that aim to capture organisational learning which occurs as a psychological process at various levels[4]. Goh and Richards, Hult and Ferrell, Jerez-Gomez et al determined organisational learning capability with questionnaire that facilitate different dimensions eg., teamwork, experimentation. These measurement scales are formulated based on literature given by seminal author Senge in his study on learning as fifth discipline[12].

### A. Types of Organizational learning Capability

Organizational learning capability is of two types namely: 1. Organizational learning and 2. Individual learning. Individual learning for organizational learning is important as it raises the skill and knowledge of employees. As organizations are composed of individuals, psychologists, researchers and educators heavily researched the topic of learning at the individual level. Organizational learning is processed with the aim of making learning organization by

increasing the domain knowledge and work structure process.

### B. Process of organizational learning



**Figure Source: Organisational Behaviour, An Experimental approach 8/E.Joyce S.Osland, David A.Kolb, Invin M Rubin and Marlene E Turner**

In the process of organizational learning the necessity of learning is collected. A well structured format of concepts to be learned is framed. In the new environment implications of concepts are tested. It gives concrete experiences of the new concepts. A careful observation of new concept is monitored. Organizations follow this process to attain towards employees with capability of inviting challenges.

## II. REVIEW OF LITERATURE

To capture organisational learning capability [1] has developed a scale with 14 items grouped into five dimensions. These dimensions are used to represent essential factors that elucidate organisational learning capability. They are: experimentation, risk taking, interaction with the external environment, dialogue or communication and participative decision making. The given scale is widely used by authors to know the OLC of individuals specifically. In the dimension of experimentation proposed by [6] the items proposed are whether people are receiving support and encouragement when new ideas are presented and whether initiative gets a favourable in the organisation, so that people feel encouraged in generating new ideas. [6]-[7] studied on risk taking with two items. To know whether people are encouraged to take risks in this organisation and whether people are ventured into unknown territory. [8] Proposed and validated a dimension named interaction with external environment. It measures the degree of relationship with external environment ie., competitors, customers, technological institutes, universities, suppliers etc.,[7],[9]studied on dialogue to know the effect of communication in everyday experience, [8],[11]studied on participative decision making to know the level of influence employees has in the process of decision making.

**Revised Manuscript Received on 30 March 2019.**

\* Correspondence Author

**S Jyothi Kannipamula\***, KL Business School, Koneru Lakshmaiah Education Foundation, Guntur, Andhra Pradesh, India,

**Srinivasa Rao. D.**, KL Business School, Koneru Lakshmaiah Education Foundation, Guntur, Andhra Pradesh, India.

© The Authors. Published by Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP). This is an [open access](http://creativecommons.org/licenses/by-nc-nd/4.0/) article under the CC-BY-NC-ND license <http://creativecommons.org/licenses/by-nc-nd/4.0/>.

### III. RESEARCH METHODOLOGY

Keeping in view the objectives of the study OLC of employees is measured by 14 items Chiva OLC scale. A convenient sample of 40 employees was gathered using Google forms and a structured questionnaire consisting of details on demographic variables and OLC scale items was used to gather data from the sampled respondents. Descriptive statistical analysis is done initially and inferential data analysis with ANOVA is performed to test the maintained hypotheses. Data processing is done with the help of R programming.

### IV. RESEARCH PROBLEM

The present study aims to analyze whether organizational learning capability differ by experience and qualification of the employees.

### V. OBJECTIVES OF THE STUDY

1. To measure the OLC of employees by using scale by Robert Chiva.
2. To find out whether there is significant difference in OLC among employees by their level of qualification.
3. To find out whether there is significant difference in OLC among employees by their level of experience.

### VI. HYPOTHESIS

H<sub>0</sub>1 – Organisational learning capability doesn't differ by qualification.

H<sub>0</sub>2 – Organisational learning capability doesn't differ by experience.

### VII. RESULTS AND SUGGESTIONS

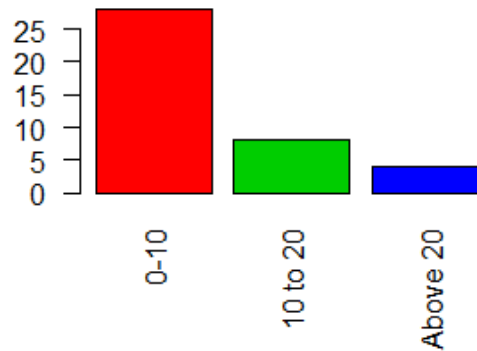
Fig1 shows the summary of descriptive statistics of the variables taken for the study. Respondent's qualification and experience is shown in bar plots. Figure shown below gives the distribution of OLC scale.

**Fig1 Summary**

Variables	Mean	SD	Median	Skew	Kurtosis	SE
Qualification	2.33	0.66	2	-0.42	-0.83	0.1
Experience	1.50	0.82	1	1.10	-0.61	0.1
V1	4.28	0.60	4	-0.16	-0.68	0.1
V2	4.05	0.64	4	-0.61	1.37	0.1
V3	3.60	0.96	4	-0.36	-0.89	0.2
V4	3.48	1.06	4	-0.12	-1.29	0.2
V5	3.65	1.17	4	-0.83	-0.51	0.2
V6	3.70	1.07	4	-1.01	0.26	0.2
V7	3.90	0.84	4	-0.83	0.32	0.1
V8	4.33	0.62	4	-0.94	2.68	0.1
V9	4.15	0.74	4	-0.98	1.48	0.1
V10	4.08	0.66	4	-0.60	1.12	0.1
V11	4.17	0.75	4	-1.00	1.38	0.1

V12	3.90	0.93	4	-0.93	0.1	0.2
V13	3.88	0.85	4	-0.74	0.08	0.1
V14	3.52	1.06	4	-0.88	-0.26	0.2

**Respondents Experience**



**Respondents Qualification**

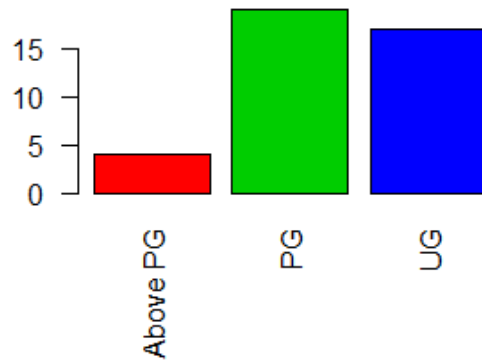


Fig 2 below gives the summary of the results of the tested hypothesis H<sub>0</sub>1 i.e., OLC doesn't differ by qualification. From the table it is clear that there is no significant difference between respondents of different qualifications in OLC as indicated by F-value of the ANOVA model which leads to acceptance of the first maintained hypothesis.

**Fig 2 Hypotheses 1- ANOVA Summary**

	Df	Sum Sq	Mean Sq	F Val	Pr (>F)
d\$Qualification	2	222	110.98	2.02	0.147
Residuals	37	2033	54.94		

Fig 3 below gives the summary of the results of the tested hypothesis H<sub>0</sub>2 i.e., OLC doesn't differ by experience. From the table it is clear that there is no significant difference between respondents of different experience in OLC as indicated by F-value of the ANOVA model which leads to acceptance of the first maintained hypothesis.

Fig 3 Hypotheses H<sub>02</sub> – ANOVA Summary

	Df	Sum Sq	Mean Sq	F Val	Pr (>F)
d\$Experience	2	4.6	2.30	0.038	0.963
Residuals	37	2250.2	60.82		

VIII. FINDINGS

Fig4 it is evident that for most of the items in the OLC scale responses are clearly showing negative opinions.

Fig4 Respondents opinions

	1	2	3	4	5
Q1	0.00 %	0.00 %	7.50 %	57.50 %	35.00 %
Q2	0.00 %	2.50 %	10.00 %	67.50 %	20.00 %
Q3	0.00 %	17.50 %	20.00 %	47.50 %	15.00 %
Q4	0.00 %	25.00 %	20.00 %	37.50 %	17.50 %
Q5	5.00 %	20.00 %	0.00 %	55.00 %	20.00 %
Q6	5.00 %	12.50 %	7.50 %	57.50 %	17.50 %
Q7	0.00 %	10.00 %	10.00 %	60.00 %	20.00 %
Q8	0.00 %	2.50 %	0.00 %	60.00 %	37.50 %
Q9	0.00 %	5.00 %	5.00 %	60.00 %	30.00 %
Q10	0.00 %	2.50 %	10.00 %	65.00 %	22.50 %
Q11	0.00 %	5.00 %	5.00 %	57.50 %	32.50 %
Q12	0.00 %	15.00 %	2.50 %	60.00 %	22.50 %

Fig 5 shows the details of the frequency of qualifications of employees at various levels respectively.

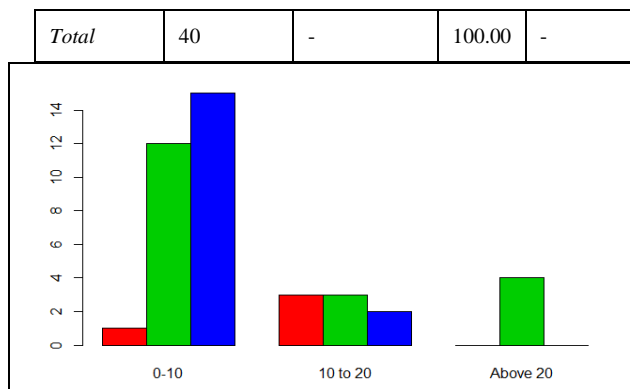
Fig 5 Qualification Frequency

Levels	Freq	Cum.Freq	Per	Cum.Per
Above PG	4	4	10	10
PG	19	23	47.5	57.5
UG	17	40	42.5	100
Total	40	-	100.00	-

Fig 6 shows the details of the frequency of experience of employees at various levels respectively.

Fig 6 Experience Frequency

Levels	Freq	Cum.Freq	Per	Cum.Per
0-10	28	28	70	70
10 to 20	8	36	20	90
Above 20	4	40	10	100



FROM FIG 6 IT IS SHOWN THAT RESPONDENTS OF 0-10 YEARS EXPERIENCE IS 70 PERCENT, RESPONDENTS OF 10 TO 20 YEARS EXPERIENCE IS 20 PERCENT AND RESPONDENTS ABOVE 20 YEARS EXPERIENCE ARE ONLY 10 PERCENT.

IX. CONCLUSION

In conclusion, organizations learning capability is irrespective of qualification and experience. Organizations or employees of organizations that invite new learning process and methods remain competitive. The study is limited to 40 respondents. It is suggested that, to know the learning capability OLC scale by Chiva can used. The scale can be applied to any particular organization. “An organisations ability to learn and translate that learning into action rapidly is the ultimate competitive advantage.-Jack Welch”

REFERENCES

- Chiva, Ricardo, Joaquin Alegre, and Rafael Lapiedra: "Measuring organisational learning capability among the workforce." International Journal of Manpower 28.3/4 (2007): 224-242.
- Easterby-Smith, M., Crossan, M. and Nicolini, D. (2000), "Organizational learning: debates past,present and future", Journal of Management Studies , Vol. 37 No. 6, pp. 783-96.
- Lyles, M.A. and Easterby-Smith, M. (2003), "Organizational learning and knowledge management: agendas for future research", in Easterby-Smith, M. and Lyles, M.A. (Eds), Handbook of Organizational Learning and Knowledge Management , Blackwell Publishing, Oxford.
- Tippins, M.J. and Sohi, R.S. (2003), "IT competency and firm performance: is organizational learning a missing link?", Strategic Management Journal , Vol. 24, pp. 745-61.
- Kim. "Extending the DEVS-scheme knowledge-based simulation environment for real-time event-based control." IEEE Transactions on Robotics and Automation 9.3 (1993): 351-356.
- Isaksen, S.G., Lauer, K.J. and Ekvall, G. (1999), "Situational outlook questionnaire: a measure of the climate for creativity and change", Psychological Reports , Vol. 85, pp. 665-74.
- Amabile, T., Conti, R., Coon, H., Lazenby, J. and Herron, M. (1996), "Assessing the work environment for creativity", Academy of Management Journal , Vol. 39 No. 5, pp. 1154-84.
- Pedler, M., Burgoyne, J. and Boydell, T. (1997), The Learning Company: A Strategy for Sustainable Development , McGraw-Hill, Maidenhead.
- Templeton, G.F., Lewis, B.R. and Snyder, C.A. (2002), "Development of a measure for the organizational learning construct", Journal of Management Information Systems , Vol. 19 No. 2, pp. 175-218.



# An Empirical Study on Organisational Learning Capability in It Industry

10. Hult, G.T.M. and Ferrell, O.C. (1997), "Global organizational learning capability in purchasing: construct and measurement", Journal of Business Research , Vol. 40, pp. 97-111
11. Goh, S. and Richards, G. (1997), "Benchmarking the learning capability of organizations", European Management Journal , Vol. 15 No. 5, pp. 575-88.
12. Senge, P. (1990), The Fifth Discipline , Doubleday, New York, NY.

## AUTHORS PROFILE



**Mrs. S Jyothi Kannipamula** is a full time research scholar at Koneru Lakshmaiah Education Foundation, Guntur, Andhra Pradesh. She is NET qualified and an MBA from Loyola. Her research areas include Management Information Systems and Learning Organisations.



**Dr. Srinivasa Rao. D** is currently a professor in the area business analytics at Koneru Lakshmaiah Education Foundation, Guntur, Andhra Pradesh. He has contributed papers for various national as well as international research journals.