Chapter 15

Organizational Learning and Change: Strategic Interventions to Deal with Resistance

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ABSTRACT

This chapter discusses organizational learning as a strategic approach for organizational change. In the face of turbulent and uncertain environments, continuous involvement in organizational change is necessary. However, most organizations encounter resistance to change, thus fail to accomplish organizational change despite change efforts. Previous literature explains that resistance to change results from cognitive and psychological processes, social and power relationships, and organizational structural inertia. Given the findings from the previous research, organizational learning theories can provide strategic interventions to effectively deal with resistance and to achieve organizational change goals. The learning organization embrace learning activities – unlearning, experimentation, exploration, double-loop learning, and action learning - to develop the adaptability to environmental changes. This chapter suggests that HR/HRD should play a role in building the learning organization and facilitating organizational learning for change as a change agent.

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INTRODUCTION

In contemporary society, rapidly changing environments and technologies in the local and global context of competition have required business organizations to cope with unpredictable situations through ongoing changes for their sustainable development (Burke, 2014). In order to smoothly ride this global wave of change, organizational learning has been essential to ensure the organizations’ change and growth (Argote, 2012). Organizational learning enables members to lead changes to overcome several challenges within and outside of an organization and eventually, to accomplish organizational performance and objectives (Gilley & Maycunich, 2000; López, Peón, & Ordás, 2005). Given the usefulness of organizational learning in addressing various organizational issues, many organizations continue to encounter difficulties in effectively managing organizational changes. According to the McKinsey Global Survey conducted in 2008, only about 30 percent of companies successfully achieve organizational change despite their extensive efforts (Isern & Pung, 2007). Research suggests that many organizations fail to accomplish successful organizational change primarily because most organizations and employees have a natural tendency to resist both organizational learning and change and thus, merely adapt to environments (Agocs, 1997; Beer, Eisenstat, & Spector, 1990; Burke, 2014; Kotter, 1995; Kotter & Schleginer, 1979; Walsh & Ungson, 1991). Namely, the organizational change process may involve an uncomfortable situation that denotes the organizations’ and employees’ needs to depart from routinized work practices and systems that are sociocultural in nature and have been accumulated over a long period of time (Piderit, 2000). In the face of these challenges, Human Resource (HR) and Human Resource Development (HRD) functions have become more vital in developing and implementing strategies of organizational learning that are well-aligned with business (Beer, Voelpel, Leibold, & Tekie, 2005; Buyens & De Vos, 2001; Gilley, Eggland, & Maycunich, 2002; Gilley & Maycunich, 2000). In the studies on organizations, scholars put emphasis on organizational learning as a strategic initiative for organizational change (Egland & Maycunich, 2002; Hendry, 1996; Siebenhüner & Arnold, 2007; Sugarmen, 2001). Organizational learning, on the other hand, may inhibit successful organizational changes when it focuses on exploiting existing knowledge and competencies and reproducing the current norms, system, and culture (Hendry, 1996; Levinthal & March, 1993; Walsh & Ungson, 1991). This suggests that as a change agent, a key task of HR is to understand the nature and perspective of resistance within organizational learning. Doing so will facilitate a change process in order to timely achieve the organizational goals of improving individual and organizational performance. In this context, research on organizational learning should view HR/HRD professionals as change agents and provide them with critical implications so they can facilitate and manage organizational learning with strategic considerations and effectively deal with the resistance to organizational change (Crossan & Berdrow, 2003; Garvin, 1993; Kontoghiorghes, Awbre, & Feurig, 2005; Lawrence, Mauws, Dyck, & Kleysen, 2005; March, 1991; Tucker, Edmondson, & Spear, 2002).

Previous studies have provided extensive understandings regarding factors influencing the resistance to change (Baum, 1990; Bovey & Hede, 2001; Kelly & Amburgey, 1991; Reicher, 2004; Szabla, 2007; Thomas & Hardy, 2011) and how to effectively handle the resistance (Bruckman, 2008; Dass & Parker, 1999; Dent, 1999; Fosfuri, 2008; Thomas & Hardy, 2011; Waddell & Sohal, 1998). However, existing studies have paid little attention to how organizational learning can be effectively used for organizational change under the strategic functions of HR/HRD even though roles of organizational learning is repeatedly highlighted in a change process. In particular, there is limited research on the resistance to organizational change in organizational learning studies although organizational learning theories have provided po-