Chapter 5.7  
Managing Knowledge for Enhancing the Participants through Organizational Learning and Leadership

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ABSTRACT

Managing knowledge is essential to facilitate the process of organizational learning and to foster organizational culture in which the participants are inspired and feel confident to contribute to the organization and to enhance competitive advantages. The participants develop their capabilities driven by the process of cognition-action coupling at individual and collective levels. The role of knowledge management is inevitably to redesign the organization into an innovative one by inspiring the participants to create new values. The first topic in this chapter is on the conceptual models of business performance, such as our basic model of organizational adaptability and organizational learning capability model explaining organizational learning process (i.e., cognition-action coupling process in organizational environment). In the second topic, continuity of reflexive organizational learning for creating new values and the process models of organizational learning are discussed for harnessing organizational learning development (OLD). The final important topic is on the relevance of knowledge management to organizational learning and to technology. Innovation (i.e., knowledge generation and knowledge generalization) emerges in the recursive information processing harnessed by technology, which in turn leads to flexibility, adaptability of organization and inspires people to achieve shared goals. The focus of this chapter is placed on the participants of the organization who are most important business assets and a fundamental aspect in knowledge management in redesigning innovative organizations.

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INTRODUCTION

It is by the strategic application of knowledge management underpinned by advanced technology that redesigning of an organization enables the development of the organization into being more effective and competitive and to cope with the changes in society. To become innovative means that the participants are inspired to develop through the course of organizational learning by sharing organizational visions and missions. Knowledge management facilitates the process of inquiry by creating new values to develop the future direction and for restructuring workplaces where the participants can achieve business goals for competitive advantage. Human assets for any businesses, such as in manufacturing, services, and in R&D, are enhanced by being activated and inspired through the process of cognition-action coupling at both levels of individuals and collectives. In the activated and inspired organizational climate, new values emerge through the cognition-action coupling processes, namely, the process of organizational learning. People feel confident helping each other to develop in the recursive or reflexive learning process and in the favorite climate of organizational environment provided with advanced information technology. Organizational learning development (OLD) plays a crucial role in sharing information, amplifying outcomes and innovating organizations for business prosperity.

The focus in this Chapter is on organizational learning and leadership which play important mediating or moderating roles in developing an innovative organization and appropriate processes for overcoming turbulence in a dynamic society. The roles of organizational learning and leadership are critical in making knowledge management initiatives successfully embraced in the workplace.

ORGANIZATIONAL LEARNING AND LEADERSHIP FOR IMPROVING ORGANIZATIONAL PERFORMANCE

Basic Model of Organizational Adaptability

Business resources, such as human resources, physical resources and information systems and technology are subsumed into a total system or a whole system of the enterprise. Organizational adaptability which is the main engine of the enterprise is to be empowered by human resources supported by advanced technologies and fostered by organizational learning and leadership. The basic model of organizational performance introduced by our studies (Saito et al, 1998, 2000, 2002) consists of three components, business constraints as the antecedents, organizational environment as a central part of the enterprise and business performance as the consequences as shown in Figure 1. The levers, at least two levers, i.e. organizational learning and leadership,