Chapter 14

A Critical Review of Learning Organizations in the 21st Century

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ABSTRACT

This article critically reviews what constitutes a learning organization. The author argues that a learning organization is born out of a static organization. In determining whether organizations are learning organizations, components such as structure, atmosphere, management philosophy and attitudes, decision-making and policy-making, and communication must be considered. In addition, these components are discussed in comparison to the characteristics of static organizations. The theme of this article is such that in order for organizations to remain competitive in this global economy, organizational leaders must be flexible and people-centered. Successful organizational leaders should engage in the use of supportive power, involve high participation at all levels, and conduct multidirectional communication in order to turn static organizations into learning organizations.

INTRODUCTION

Organizations take many forms and sizes. A company comprised of five employees is an organization. A multi-national corporation comprised of several hundred employees is an organization. A small college is an organization, and a mega-university is an organization. A church is a religious organization. Even a whole country can be treated as an organization. As an organization, there must be rules and regulations. There must be leaders, managers, supervisors and above all employees, or followers or members. As an organization, there must be a hierarchy or chain of command. Otherwise, there may be chaos in any organizations. A society or a culture can also be an organization. People are the major players in any organizations. People in an organization

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make policies, rules, and regulations as to how people should contribute to a certain organization. There are organizations where people are takers from their organizations. There are organizations where people are basically contributors to their organizations.

People label organizations different names. Some organizations are labeled as learning organizations (the term given to a company that facilitates the learning of its members and continuously transforms itself. Learning organizations develop as a result of the pressures facing modern organizations and enables them to remain competitive in the business environment), and other organizations are labeled as static organizations (fixed practices, fixed size. Like static equations, these organizations have no variables -- time doesn’t change them significantly). It is not that people enjoy doing this without following certain rules or criteria. Certain criteria do apply when people label their organizations. Organizations leaders do many things in order to push their organizations to a new height. Takers or contributors of organizations do have some common goals (even imposed upon them by their superiors), that is, organizations are supposed to add “value” to society. In Marx’s terms, humans are capable of producing “surplus value,” and it is this surplus value that helps human society make progress from one stage of development to another (Marx, 1929; Wang, 2006). Indeed, without the surplus value, humans would stay in the primitive state as a society.

In organizations, people receive education and training in order to be more productive citizens in society. Organizational leaders design training so that employees can be more educated. In this new century, people need more formal and informal education and training in order to work. In primitive society, people did not need education in order to work (Wang & King, 2008, 2009). Organized training can be traced back 6000 years ago when scribes received formal training in order to copy documentation from documentation. In order to remain competitive, learning organizations are committed to providing education and training to all employees.

Any time leaders in certain organizations stop caring about the well-being of their employees, these organizations become static organizations, which means they face being eliminated from modern society as other learning organizations eventually replace these static organizations. Therefore, the survival of any organizations is directly related to the commitment and competence of their leaders. If their leaders are corrupt, unethical, or incompetent, these organizations cannot move forward with the necessary changes to survive. These organizations will be downsized, restructured, merged, or even collapsed. Ordinary people tend to believe that we live in the 21st century, and naturally leaders possess many needed leadership skills and management skills or competencies. These leaders may be found from learning organizations. However, very few can be found from static organizations. In the 21st century, static organizations may outnumber learning organizations. People tend to believe that cronyism, nepotism or appointing people by blood or friendship relationships were things of the past. History repeats itself in almost every aspect of life. In any organizations or even in a whole country, whether democratic or communist, leaders often hire their own people, people who are their relatives or their friends or people those leaders believe will listen to them once hired. Job advertisements or descriptions are done for the sake of showing to their superiors that they are hiring by the rules. Under the guise of those job descriptions, friends or relatives are hired. Those with real expertise are “interviewed” but not hired. Then, these organizations indicate to the outside world, “See, we are hiring the most qualified people via this democratic process or ‘shared governance.’” This is not to say that every organization does its business like this. However, organizations that abuse their power in the 21st century are rampant. Due to their effective