Becoming a Learning Organization in the Financial Industry:
A Case Study

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Dedication

This dissertation is dedicated to my husband, Harrison, whose love, support, and kindness stirred me to continue on this journey until the end, and to my children, Nikolai and Antonina, whose curiosity, love, and liveliness served as a reason for me not to be on the mend. To bring this paper to its completed state shows them anything is achievable. Now, I look forward to spending more time with my soulmate and actively supporting all of my kids’ life’s pursuits.
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Abstract of the Dissertation

Becoming a Learning Organization in the Financial Industry: A Case Study

This study investigated the construct of the learning organization, providing a qualitative analysis of how learning occurs in financial organizations through the lens of Marquardt’s (2011) Systems Learning Organization Model. Data were gathered through five methods: the Learning Organization Profile survey, with 63 participants; document review; observation; focus groups with 10 participants; and one-on-one interviews with 10 participants.

Five conclusions were drawn based on the evidence gathered. (1) In a highly regulated financial institution, employees engaged in learning activities beyond the compliance and job-required training. (2) Organizational learning capability was increased through implementation of cross-functional programs and encouragement of informal dialogue across departments and multiple levels of management. (3) The leadership encouraged employees to create partnerships within and outside of the organization. (4) The financial organization was driven to innovate by reviewing customer/employee feedback, by monitoring trends outside the organization, and by examining changes mandated by new laws. (5) The organization used adaptive computer algorithms to enhance learning and on-the-job performance. Future research is needed to continue explore learning organizations and ways to modify existing learning organization models to capture the complexities of today’s business environment.
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CHAPTER 1:  
INTRODUCTION

Overview

Organizations are increasingly confronted with the prospect of change. Given the intensity of current challenges to organizational survival and competitiveness, it is not surprising that most organizations find themselves operating in more complex, unpredictable, and dynamic environments (Johnson & Johnson, 2000). To cope, most organizations consider themselves to be in a state of continuous improvement where they must accelerate the pace and effectiveness of their change strategies (Oden, 1999). Armstrong and Foley (2003) concluded that organizational leaders view learning as a key element in developing and maintaining competitive advantage.

The financial industry is especially competitive, and firms must continually improve their products and services. Welch (2016) stated that banks are heavily regulated and are required to maintain certain standards for servicing consumers. Organizations still need to remain competitive by continuously striving to adapt and develop despite a challenging economic environment (Association of Training and Development, 2016). It is essential for organizations to take action during a time of crisis (Avolio, Gardner, & Walumbwa, 2004). To survive, a financial organization might decide to become a learning organization to function successfully in an environment that includes continual mergers, rapid technological advances, massive social change, and increasing competition (Garvin, 2000). Researchers have agreed that adaptation to change is needed for organizations to succeed (Appelbaum & Reichart, 1998; Armstrong & Foley, 2003). The learning organization is an organization that is constantly changing and adapting
successfully to change. Many studies have shown that organizations that apply the learning organization concept will be more prepared to change and survive (Garvin, 1993; Nonaka, 1991; Prokesch, 1997). Therefore, it has been proposed that becoming a learning organization is an opportunity for organizations to not only gain a competitive advantage in an unstable business environment, but also keep ahead of the dramatic rapidity of change (Senge, 1990; Stata, 1989).

Learning in organizations has been studied for decades (Argyris & Schön, 1978), but a new emphasis on learning has arisen due to rapid changes in the business climate, including uncertain market conditions, increasing complexity, changing demographics, and global competition (Swain, 1999). The view that learning increases competitive advantage has stimulated interest in developing organizations that foster and encourage learning. Learning organizations are designed to increase competitiveness because they are proactively looking ahead rather than catching up with change initiatives retroactively (Slater & Narver, 1995). Marsick (2013) called for continued research of the learning organization in order to better understand its relationship to sustainability and competitive advantage.

The concept of the learning organization became popular when Senge (1990) published his bestselling book, *The Fifth Discipline*. Senge introduced the concept of the learning organization and discussed the importance of it, especially in the changing global economy. Over time, due to globalization, organizations began to be viewed as a “living system” that can continuously change and adapt (Garfield, 1992). Wheatley (1992) documented the transition from the old top-down view of organizations to the more complex view. The organization is described as organic and fluid, which is able to
consistently change in order to survive. Other researchers concluded that organizations have found that becoming a learning organization allows them to respond to environmental demands and strive for innovation (Cumming, 1998).

**Problem Statement**

Financial organizations have to change their relationships and business practices in order to keep up with advances in technology (Andrews & Wardwell, 2000). Technology is an important part of a learning organization; for financial institutions, it enables customers to have faster access to their accounts, increases communication between customers and the financial institution, and allows more targeted marketing efforts (Urban, 2005). Banks must become a learning organization in order to survive and gain competitive advantage. Marquardt (2011) stated that becoming a learning organization requires learning processes that are supported by organizational subsystems. With their many regulations and bureaucratic nature, banks particularly need supportive learning processes and practices to become a learning organization (Garvin, Edmondson, & Gino, 2008). Banks need to constantly innovate products and keep up with customers’ demands.

There is currently a gap in the literature when it comes to understanding how learning organizations form. A number of organizations began the process of becoming learning organizations in the early 1990s. However, a large number of companies, including many smaller banks and credit unions, are still trying to make that leap or have recently become a learning organization. Kim and Marsick (2013), Watkins and Dirani (2013), and many other researchers suggested exploration of the construct of the learning organization using different methodologies such as case study. Thus, additional research
is needed to better understand how a financial institution which is highly regulated by the environment can emerge as a learning organization.

**Purpose and Research Questions**

The purpose of this qualitative, single-case descriptive study was to understand a large financial institution’s processes, practices, and structures while becoming a learning organization. This case study explored one financial organization that was striving in a very demanding and fast-paced financial sector. Marquardt (2011) stated:

> Many [organizations] seek quick and easy approaches. Others focus on only one or two aspects of organizational change and learning, such as acquiring new skills and technology. As a result of these shortcut attempts, most companies have failed dismally. They neglected to take into account the challenging complexity of creating and maintaining company-wide learning. They did not examine and implement the various inherent components that make up the learning organization. . . . All five [subsystems] are necessary to sustain viable, ongoing organizational learning and ensuing corporate success. (p. 21)

The researcher sought to understand how learning organizations are created through organizational learning and organizational change along the five subsystems presented in the Systems Learning Organization Model. To fulfill the purpose of this study, the researcher addressed one research question: How is a major financial institution becoming a learning organization across five subsystems as defined by Marquardt’s (2011) Systems Learning Organization Model?

**Statement of Significance**

Financial institutions are highly regulated and must be in compliance and follow a specific set of rules. The outcomes of the study should be beneficial to executives leading financial institutions, as well as practitioners in the adult learning arena and researchers.
Many researchers have noted that additional qualitative research is needed to investigate and document the learning organization’s practices in greater depth. This study explored how the policies, practices, and structures in an organization were changed to enable the organization to transform into a learning organization. Using the Systems Learning Organization Model (Marquardt, 2011), the researcher examined how the organization used the process of becoming a learning organization in different subsystems: learning, organization, people, knowledge, and technology. This study contributes to social science theory with further research on the constructs of organizational learning and organizational change.

In addition, this study benefits other global leaders who want to shape their organization to become more sustainable and competitive. Marquardt (2011) outlined how to build learning organizations, and this study provides additional data to corporate executives interested in building a learning organization, thus bridging the gap between research and practice. The financial industry provides a useful context due to its fast-paced environment and high need for constant learning. This study sought to produce insights and valuable descriptive information as to what actually happens in a financial organization within the learning organization context.

**Theoretical Framework**

This study was conducted through a pragmatic lens. Yin (2014) and Merriam and Tisdell (2016) defined postpositivism as the researcher belief that there is one reality to explore and study. In the postpositivist tradition, this study sought to uncover and understand existing knowledge regarding how learning organizations are built. The interpretive paradigm recognizes multiple, subjective realities (Crotty, 2011). According
to Feilzer (2010), the pragmatic paradigm aims to view the world in other terms, which aligns with the researcher’s worldview that such a thing as reality exists, but it is ever changing, based on our actions. The researcher’s pragmatic worldview guided this study, which used “all approaches available to understand the problem” (Creswell, 2014, p. 10).

This study had two theoretical constructs: organizational learning and organizational change. The learning organization construct is the product of continuous learning and organizational change; in combination, they produce a learning organization. This study explored seminal and contemporary literature for these constructs. The relationship between variables is demonstrated in Figure 1.1.

[Diagram of the Systems Learning Organization Model (Marquardt, 2011)]

Figure 1.1. Theoretical framework.

The study’s first construct is learning. Although theorists have reached little consensus on the various learning theories, they have agreed that learning involves change (Merriam, Caffarella, & Baumgartner, 2007). Marquardt (2011) explained adaptive, anticipatory, and action learning. This study looked specifically at how a
different type of learning is essential for the creation of the learning organization. A learning organization is one that, through the development of interrelated subsystems (Marquardt, 2011), is skilled at creating, acquiring, and transferring knowledge (Garvin, 1993; Garvin et al., 2008). This study relied on the definition of a learning organization used in the Systems Learning Organization Model (Marquardt, 2011, p. 29), “An organization of this type possesses the ability to continuously adapt, renew, and revitalize itself in response to the changing environment.” Five factors must be present for a learning organization to become sustainable. The model places learning at the center, as a connector between the other four factors—organization, people, knowledge, and technology. The learning organization literature also breaks down learning within an organization by the type of learning. This served as a theoretical framework when looking at a financial institution through learning and organizational change lenses.

Organizational change is the second theoretical construct in this study. Change plays a significant role in the development of a learning organization. Organizational change is a broad scholarly area focusing on many forms and types of change (Weick & Quinn, 1999). Rowden (2001) identified that the understanding of change has evolved over time, and the current change literature has adapted and evolved into yet another cycle of change: becoming a learning organization. Tsoukas and Chia (2002) further developed the concept of change as they discussed that change is not an exception to everyday life, but instead a constant, normal, and common occurrence. When change is seen as something that occurs daily, the organization is not taken by surprise when presented with a new challenge, but instead reacts to change as if it were anticipating it. Huy and Mintzberg (2003), Van de Ven and Poole (1995), and Bennis, Benne, and Chin
(1961) provided the basis for this study’s review of learning organizations as a function of change. This case study explored different forms of change, as well as the notion of resistance to change (Piderit, 2000) and structuration theory (Giddens, 1979, 1984). Specifically, the study looked at how change and different types of change lead to the creation of learning organizations.

**Summary of Methodology**

A qualitative single-site case study was chosen as the research design for this study because it can provide in-depth understanding of how a financial organization can become a learning organization despite environmental challenges and regulations. Merriam (2009) stated that studying a case provides “an in-depth description and analysis of a bounded system” (p. 40). Yin (2014) added that a case study methodology provides a researcher with a unique niche: “For case study research, this niche is when a [researcher] asks a ‘how’ and ‘why’ research question” (p. 14). The researcher chose a site of a large financial institution that emerged as a learning organization within the last 5 years.

Yin (2014) laid out a research framework for case study methodology that was closely followed. To answer the research question, the researcher collected evidence from five sources: the Learning Organization Profile (LOP) questionnaire, documents, observation, interviews, and focus groups.

**LOP questionnaire.** The researcher administered the LOP instrument (Marquardt, 1996) to a sample of 63 employees. The instrument consists of 50 items that aim to assess employees’ perception of the organization’s characteristics related to the five subsystems of a learning organization: people, technology, knowledge, organization, and learning.
**Documents.** The researcher collected internal and external documents to help answer the research question, making use of Internet searches to locate public sources that identify this organization as a learning organization, such as awards received or news articles. Social media sites such as LinkedIn, Facebook, and Twitter were reviewed. The researcher also identified learning magazines that have had publications about this financial institution. After this online search, the researcher identified artifacts and historical documents within the organization to shed light on how this organization aimed to be a learning organization. The researcher reviewed documents specifying the establishment of the chief learning officer position, departmental visions, chronological review of technological advances, employee reward system, and employee learning data. The researcher completed a thorough review to identify documents in support of the five factors required for a learning organization.

**Observation.** Three 2-hour sessions were held where the researcher walked around the building and spent time in the conference rooms, hallways, or other general areas in the headquarters. The researcher took notice of physical artifacts around the building such as posters, bulletin boards, banners, break room fliers, and TVs displaying pertinent organizational information, including employee recognition. Findings were summarized, noting in great detail environmental aspects and activities that were observed.

**Interviews.** In an attempt to establish discernible boundaries around the case, a decision was made to focus only on interviewing executives across the organization. Executives are the driving force behind the organizational vision, and the organization cannot become a learning organization without the drive and direction from the executive
suite. Therefore, the researcher interviewed 10 executives with the goal of better understanding what processes, policies, and practices allowed the financial institution to experience qualities of a learning organization. The researcher used a structured interview protocol.

*Focus groups.* The researcher conducted two focus groups of 10 middle managers to allow many interviewees to participate in the study. Through these focus groups, the researcher was able to capture rich qualitative descriptors of the organization to assist in answering the research question. While the interviews focused on data from the executive suite, the focus groups offered experience from managers on the ground, who were implementing the directives of the executives.

Using the large amount of data collected from these five sources, the researcher applied multiple methods to analyze and make meaning of the data. The data analysis was conducted through reduction and interpretation (Patton, 1990). Following the suggestion of Merriam and Tisdell (2016), raw data were transformed into categories and concepts. For the interview data, the researcher followed the process of Lichtman (2010), which involved organizing the data into narrative accounts, applying a direct approach to content analysis, and deriving meaning.

**Limitations**

The case study methodology brings with it several limitations, particularly a lack of generalizability. This study was a single case. Each data collection method within it had some limitations. The responses to the LOP were based on participants’ interpretation of the instrument questions, and their self-reported answers were influenced by their emotional, mental, and physical state when they completed the
survey. According to Krosnick (1999), self-reported data are not always accurate and are subject to “over reporting of admirable attitudes and behaviors and under reporting those that are not socially respected” (p. 538). Despite this limitation, using the tool added a significant amount of descriptive, quantitative data. In addition, the researcher was limited to the documentation and artifacts available within the organization. Regarding interviews of executives and focus groups with managers, with results were dependent on participants’ memory and perception. The researcher could not control participation, as individuals could decide whether or not to participate in this study. However, the researcher made every effort to design the research schedule to meet participants’ availability.

The researcher was very familiar with the organization and thus faced the potential bias of being “an insider.” As a scholarly practitioner interested in how financial institutions exhibit qualities of a learning organization, the researcher set aside her beliefs and opinions and focused only on the data available for the research.

**Delimitations**

Delimitations are driven by the researcher’s study criteria. In an attempt to establish discernible boundaries around the case, the researcher chose an organization that had potential qualities of a learning organization, such as a chief learning officer position and the identification of learning as one of its strategic goals. Choosing the organization was in the researcher’s control. Privacy and confidentiality are very important to every organization, especially in the financial industry. The researcher identified several banks and credit unions that met the study criteria and reached out to them. One credit union responded with willingness to participate in the study.
The researcher acknowledges differences between credit unions and banks, including in their tax structures. After 100 years of growth, the credit union industry now serves over 100 million Americans and processes over $1.3 trillion in assets (National Credit Union Association, 2017). While credit unions are nonprofit, the days of the small “mom-and-pop” credit unions are over, and all credit unions now offer products and services that compete with banks. In addition, credit unions face their own challenges in the financial industry, which have led five federally insured credit unions to shut their doors in 2009 and 82 more to close from 2010 to 2016 (National Credit Union Association, 2016). Thus, credit unions also need to make a profit to stay in business, and they constantly evolve and adapt to the environment.

Within the organization, the researcher interviewed current executives, as they had the authority to create, modify, and lead the organization to become a learning organization. The researcher held two focus groups open to mid-managers. The researcher’s decisions serve as delimitations, as they were in the researcher’s control.

**Definition of Key Terms**

**Change:** “Change is a process, not an event” (Holman, Devane, & Cady, 2007, p. 12).

**Innovation:** “Innovation is about helping organizations grow. Growth is often measured in terms of turnover and profit, but can also occur in knowledge, in human experience, and in efficiency and quality. Innovation is the process of making changes to something established by introducing something new” (O’Sullivan, 2008, p. 3).

**Learning:** “Learning is a process that brings together cognitive, emotional, and environmental influences and experiences for acquiring, enhancing, or making
changes in one’s knowledge, skills, values, and worldviews” (Merriam et al., 2007, p. 277).

**Learning organization:** “An organization of this type possesses the ability to continuously adapt, renew, and revitalize itself in response to the changing environment” (Marquardt, 2011, p. 29).

**Organizational change:** Organizational change “is an empirical observation of difference in form, quality, or state over time in an organizational entity” (Van de Ven & Poole, 1995, p. 512).

**Organizational learning:** Organizational learning is “a dynamic process of creation, acquisition and integration of knowledge aimed at the development of resources and capabilities that contribute to better organizational performance” (López, Peón, & Ordás, 2005, p. 228).

**Sustaining change:** “Sustainability involves, broadly, the maintenance of new working practices, structures, systems, cultures, and performance improvements, for an appropriate period. Sustainability is a process to be managed, not a condition to be achieved and depends on the organizational context” (Buchanan et al., 2005).
CHAPTER 2:
LITERATURE REVIEW

This chapter reviews the literature by analyzing research around the study’s key constructs of learning and change. The chapter begins by discussing the types and levels of learning, followed by a review of the learning organization and its different models. The second part reviews aspects of change, with a focus on organizational change. The chapter closes with a brief description of structuration theory.

The researcher used a variety of tools to locate seminal and contemporary literature in the learning and change arena. The library at The George Washington University was used to locate books and other printed materials. Research articles and dissertations were located primarily through databases available through The Gelman Library at The George Washington University: Academic Research Complete, ProQuest Education Journals, PsycINFO, EBSCO Host, JSTOR, Google Scholar, and Dissertations and Theses Online. Searches included, but were not limited to, a combination of the following terms: learning, change, organizational learning, learning organization, organizational change, and sustainability.

Learning

The learning construct is very broad and dates back to the 1940s. The foundational learning theories fall into five perspectives: behaviorism, cognitivism, humanism, social learning, and constructivism. Many definitions of learning are currently in the literature. The researcher used the definition of Merriam et al. (2007): “Learning is a process that brings together cognitive, emotional, and environmental influences and
experiences for acquiring, enhancing, or making changes in one’s knowledge, skills, values, and worldviews” (p. 277). Scholars have agreed that learning is essentially a change in one’s knowledge and behavior. The learning literature has evolved over time, and this section discusses the types and levels of learning.

Types of Learning

Argyris and Schön (1978) introduced three types of learning: single-loop, double-loop, and deutero learning. Single-loop learning occurs when an individual is seeking to correct errors within the organization’s typical context. Double-loop learning occurs when the individual seeks to correct the error by reconsidering the organizational context or norms that allowed the error to occur in the first place. Deutero learning is an individual’s ability to learn how to learn, which was originally discussed by Bateson (1972).

Marquardt (2011) outlined adaptive, anticipatory, and action learning types. Adaptive learning occurs when individuals look to past experiences and try to adjust future actions based on previous experiences. Anticipatory learning occurs when individuals learn from future predictions by analyzing potential scenarios. Action learning, where the group learns through reflective inquiry around a problem, was originally introduced by Revans (1982).

Watkins and Marsick (1993) reviewed additional forms of learning: informal, formal, and incidental. Informal learning takes place when an individual is participating in an action outside of the classroom and reflects on the action. Formal learning is purposeful learning where the learner is engaged in a formal learning activity and has the opportunity to reflect on what was learned. Incidental learning occurs when an individual
engages in an action but does not consciously reflect on the action and, thus, is not aware of learning taking place.

**Levels of Learning**

Learning occurs on three levels within the organization: individual, group, and organization (Crossan, Lane, & White, 1999; Marquardt, 2011; Senge, 1990). Each learning level is equally important because each serves as a building block for the creation of a learning organization (Herrera, 2007).

**Individual.** Individual learning takes place within the individual employee and “refers to changes in skills, insights, knowledge, attitudes, and values acquired through self-study, technology-based instruction, and observation” (Marquardt, 2011, p. 22). Crossan et al. (1999) concluded that individuals learn from internal and external learning opportunities. At this level, every individual in the organization acquires new skills and abilities, which contribute to the greater learning within the organization.

Senge (2006) stated that “organizations learn only through individuals who learn. Individual learning does not guarantee organizational learning, but without it no organizational learning occurs” (p. 236). Similarly, Argyris and Schön (1995) concluded that “individual learning is a necessary but insufficient condition for organizational learning” (p. 20).

Marquardt (2011) discussed many techniques that can be used by individuals in order to learn and assist organizations in moving toward learning. Individuals can engage in classroom training as well as informal learning that they can locate on the web or in journals. The engagement of every individual is extremely important in order to build a learning organization.
**Group.** Group learning includes the “increase in knowledge, skills, and competencies accomplished by and within groups” (Marquardt, 2011, p. 22). Group learning has become increasingly important as organizations deal with more complex problems. In today’s corporations, groups have an essential role. There are multiple groups that function across departments which are often not a part of the top-bottom management mentality. As Marquardt (2011) stated, since group learning “emphasizes self-management learning, creativity, and the free flow of ideas, . . . it involves more than the acquisition of group skills” (p. 37). Other researchers such as Hitt (1996) have also agreed that group learning is about collective brainstorming and free communication rather than prescribed team dynamics. Success at this level means being able to collectively solve problems and evolve as a supportive unit.

**Organizational.** Organizational learning is defined as representing “the enhanced intellectual and productive capability gained through commitment to and opportunities for continuous improvement across the organization” (Marquardt, 2011, p. 23). Historically speaking, the term *organizational learning* was established prior to that of the *learning organization*. As the organizational learning concept was developed, it led to the creation of the concept of the learning organization. Fiol and Lyles (1985) indicated that organizational learning positively affects organizational performance, and Cyert and March (1963) stated that organizational learning is a function of organizational action.

Key theorists in organizational learning are Argyris and Schön (1978). They explained that organizational learning occurs through the shared insights and mental models of individuals in the organization. Organizational learning is seen as more than the sum of individuals’ and groups’ learning, with a more complex process. However, as
mentioned earlier, individual learning is still very critical. Schein (1990) concluded that organizational learning involves sharing of knowledge, beliefs, and assumptions among individuals and groups. Organizational learning is a process, which is also part of the creation of the learning organization.

Learning Organization

Forbes and Prevas (2009) stated that learning organizations have been around for centuries; they have survived many environmental challenges and demands. Empires and organizations that were not able to constantly evolve and generate new knowledge did not make it into today’s world. This section introduces the concept of the learning organization and describes how the construct differs from organizational learning. It then presents six different models that define learning organizations. The literature on how to build a learning organization concludes this section.

Historical Development of the Learning Organization Concept

The concept of the learning organization developed out of the concept of organizational learning (Argyris & Schön, 1978). Senge (2006) stated that “learning has very little to do with taking in information. Learning, instead, is a process that is about enhancing capacity. Learning is about building the capability to create that which you previously couldn’t create. It’s ultimately related to action, which information is not” (p. 191). Crossan et al. (1999) suggested that learning occurs widely at the individual level, which is then integrated into groups and institutionalized at the organizational level.

Schwandt and Marquardt (2000) clarified the difference between organizational learning and the learning organization. Organizational learning is focused on the
dynamic human processes involved in increasing the capacity of the total organization, while learning organization is the end state, which is a product of those processes executed desirably. A learning organization is able to put learning into action. The process of learning must ultimately be made part of the organization’s culture, not just a temporary solution to a given problem (Aggestam, 2006; Marquardt, 2011; Nonaka, 2000; Stata, 1989). Marquardt (2011) and Nonaka (2000) supported the concept of the learning organization as one way to stay competitive in an always changing environment.

Peter Senge (1990) is believed to have coined the term learning organization in his book The Fifth Discipline. In the United Kingdom, Pedler, Burgoyne, and Boydell (1991) popularized this concept in their book, The Learning Company. The main idea behind the learning organization is that organizations must continually learn and adapt through a variety of mechanisms. Organizations started to be viewed as more fluid and constantly needing to react to environmental drivers. Nonaka (2000) called learning organizations “living systems.” Senge (1990) and Wheatley (1992) proposed that organizations were evolving into something different than a typical top-down bureaucratic entity. The organizations were required to change from the “mechanistic” view of organizations to the view of organizations as organic and fluid.

In the 1990s, knowledge creation and the growth of technological advancements became so great that the evolution of organizations became very visible. It became clear that in order to survive, organizations had to change their practices and internal dynamics and become a learning organization. Lyle (2012) summarized that organizations that realized the need to operate differently, in line with the concept of the learning
organization, were able to survive. Following Senge’s book, other scholars began defining and creating models to help executives know how to transform their organizations into learning organizations.

Models of the Learning Organization

Senge’s 1990 model of the learning organization still remains widely cited as a seminal work. It was followed by other models, which are stronger and more practical, including those of Watkins and Marsick (1997, 2003), DiBella and Nevis (1998), Örtenblad (2013), Pedler, Burgoyne, and Boydell (1997), and Marquardt (2011). Each model offers a different understanding of the learning organization, based on the experience of the researchers and supported by a broad literature. The researcher chose the Marquardt model as the theoretical framework for this study.

The Senge model. Senge (2006) stated that a learning organization is an organization “where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together” (p. 3). His model was highly criticized, as it was difficult to put into practice (Örtenblad, 2007). The main goal of Senge’s model was to eliminate the notion that other members of the organization are not productive and that everything is defined and executed at the executive level.

Senge believed that if all members of the organization saw the value of the greater whole, then the organization would strive in the right direction rather than focusing on giving credit for individual actions. Senge believed everyone has the capacity to learn, but organizational structures were often not conducive to shared learning, reflection,
dialogue, and capacity building. This model was the first model in the learning organization literature that introduced systems thinking, an idea that was based on Argyris and Schön’s (1978) single- and double-loop learning. Senge (2006) outlined how the fifth discipline is systems thinking. He emphasized the importance of “a shift of mind from seeing parts to seeing wholes, from seeing people as helpless reactors to seeing them as active participants in shaping their reality, from reacting to the present to creating the future” (Senge, 2006, p. 69).

Senge (1990) defined the learning organization as a combination of three architectural design elements: guiding ideas; theory and methods; and innovations in infrastructure. Senge (1990, 2006) indicated that to be a learning organization, an organization needed to encompass five disciplines: personal mastery, mental models, shared vision, team learning, and systems thinking.

1. **Personal mastery.** Personal mastery is “the discipline of continually clarifying and deepening our personal vision, of focusing our energies, of developing patience, and seeing reality objectively” (Senge, 2006, p. 7). People who have a high level of personal mastery live in a continual learning mode. Organizations cannot dictate that each member of the organization live and strive for mastery, but they can do a better job identifying those individuals and supporting their existence in the organization.

2. **Mental models.** Senge (2006) explained mental models as “deeply engrained assumptions, generalizations, or even pictures or images that influence how we understand the world and how we take action” (p. 8). Senge suggested that members of the organization need to bring their mental models to the surface,
scrutinize them, and reflect deeply. Reflection and inquiry are central to the discipline; they have been a part of other models and are critical to the overall learning process. Senge stated that individuals need to acknowledge processes that take place within organizations. The individual’s capacity is being affected negatively when these processes overtake the mental mindset of the organization, disengaging individuals from reaching their goals.

3. **Shared vision.** Senge (2006) described this discipline as “the capacity to hold a shared picture of the future that we seek to create” (p. 9). This is not the vision announced in the executive office, but a shared vision among all levels of the organization. A genuine vision among the members of the organization greatly assists with achieving and moving the company in the desired direction. The shared vision is related to the culture.

4. **Team learning.** Senge (2006) proposed that group learning is greater than a sum of the learning of the individual contributors. This point has been repeated by many other researchers. Senge (2006) stated that “when teams are truly learning, not only are they producing extraordinary results, but the individual members are growing more rapidly than could have occurred otherwise” (p. 9). Team learning was discussed as something that will benefit the whole organization if teams are able to communicate and have an open dialogue with each other.

5. **Systems thinking.** Senge (2006) described this fifth discipline as “a discipline for seeing wholes. It is a framework for seeing the interrelationships rather than things, for seeing patterns of change rather than static ‘snapshots’”
This discipline helps to distinguish proactive versus reactive modes of operation. Organizations can move away from a “mechanistic” view of operations if they are able to embrace change.

Senge had a strong following, as well as some critics of his model. Garvin (1993) claimed that many of Senge’s recommendations are “far too abstract” (p. 79) and do not provide any guide for practical action. Örtenblad (2007) suggested that many scholars do not correctly understand Senge’s intent. The lack of examples and case studies is by far a disadvantage compared with the models of other scholars. Flood (1998) stated that the biggest value Senge brought to the construct of the learning organization is the idea of systems thinking; however, learning organizations involve more than this idea. Since the model does not capture all aspects of the learning organization, it was not chosen as the framework for the current study.

The Watkins and Marsick model. Watkins and Marsick’s learning organization model was first constructed in 1993 and introduced in their book *Sculpting the Learning Organization*. The model was later refined in 1997 by adding the seventh imperative, strategic leadership for learning. The seven imperatives are presented in Table 2.1. A learning organization was described by Watkins and Marsick (1993) as “one that learns continuously and transforms itself” (p. 8). This model originated from the earlier works of John Dewey (1938) and Kurt Lewin (1946). The main foundation of this model is social and information processes.
Table 2.1

<table>
<thead>
<tr>
<th>Imperative</th>
<th>Description</th>
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<tbody>
<tr>
<td>1. Create continuous learning opportunities</td>
<td>Learning is designed into work so that people can learn on the job; opportunities are provided for ongoing education and growth.</td>
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<tr>
<td>2. Promote inquiry and dialogue</td>
<td>People gain productive reasoning skills to express their views and the capacity to listen and inquire into the views of others; the culture supports questioning, feedback, and experimentation.</td>
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<tr>
<td>3. Encourage collaboration and team learning</td>
<td>Work is designed to use groups to access different modes of thinking; groups are expected to learn together and work together; collaboration is valued by the culture and rewarded.</td>
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<tr>
<td>4. Establish systems to capture and share learning</td>
<td>Both high- and low-technology systems to share learning are created and integrated with work; access is provided and systems are maintained.</td>
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<tr>
<td>5. Empower people toward a collective vision</td>
<td>People are involved in setting, owning, and implementing a joint vision; responsibility is distributed close to decision making to motivate people to learn that for which they are accountable.</td>
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<tr>
<td>6. Connect the organization to its environment</td>
<td>People are helped to see the impact of their work on the entire enterprise; people scan the environment and use information to adjust work practices; the organization is linked to the community.</td>
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<tr>
<td>7. Leaders model and support learning</td>
<td>Leaders model, champion, and support learning; leadership uses learning strategically for business results.</td>
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Watkins and Marsick (1997) developed the Dimensions of the Learning Organization Questionnaire (DLOQ), a self-reported questionnaire with 43 items. The original 43-item questionnaire was later amended to 21 questions (Marsick & Watkins, 2003). As Yang, Watkins, and Marsick (2004) explained, “The seven-factor model was lengthy and did not fit the data well because a considerable portion of item variation (one-quarter) could not be explained by the proposed dimensions of the learning organization” (p. 46). This process involved generating an item pool “based on behavioral evidence of each dimension identified in their research on learning organizations” (Yang et al., 2004, p. 36). Three stages of field testing were conducted in
the instrument development process to ensure reliability and content validity of the scale. A total of 48 subjects participated in the first stage and responded to the first version of the instrument; 63 subjects participated in the second stage, and 191 subjects in the third stage. All responses were coded and analyzed using SPSS. Item analysis procedures were performed at each stage, and reliability testing enabled the revision of each version into the finalized instrument (Yang et al., 2004).

**The DiBella and Nevis model.** The model of DiBella and Nevis (1998; DiBella, 1995) identified that the learning organization has different perspectives and its aspects might never fully be captured. They approached the learning organization as something that did not have specific rules, but just guidelines that left some flexibility for each learning organization. The model was built on three main perspectives: normative, developmental, and capability.

The normative perspective assumes that learning organizations are purposely built out of strategic choices made by organizational leaders in an effort to remain competitive and to deal with change. The presumption is that organizational life is not naturally conducive to learning; barriers to learning exist within organizations. The barriers could be upper leadership or complicated processes that distract employees from learning and producing. The normative perspective assumes that the design and action of the learning organization are initiated by the organizational leader; otherwise, the learning organization would not naturally emerge.

The second perspective is developmental, in which the learning organization emerges as a result of the organization’s maturity in its life cycle. The developmental perspective requires certain conditions to exist for the learning organization to emerge.
Argyris and Schön (1978) identified a similar perspective, which they named double-loop learning, which requires deep reflection on past actions. History and experience are required for organizations to develop into learning organizations as they learn and change. Organizations need to be able to constantly challenge the dominant paradigm. This perspective creates a challenge for younger organizations, as they are not able to learn from past experiences.

The third perspective is capability, which assumes all organizations have the capacity to learn. However, there is no one best way for an organization to learn; therefore, organizations must continually learn at the individual, team, and organizational level. This is not a condition, but rather a process that never reaches an end state. DiBella and Nevis (1998) suggested that leaders should focus on identifying where learning takes place rather than changing the organization’s structure and culture.

DiBella and Nevis’s (1998) two-part framework is composed of learning orientations that represent the ways in which learning takes place. The second part is composed of facilitating factors such as the structures and actions that impact how easy or how hard it is for learning to occur. These two parts comprise 10 elements that profile an organization’s learning capability. Their model posits seven learning orientation elements along a bipolar continuum of two contrasting approaches. Table 2.2 lists these 17 elements that can be used to profile an organization.
Table 2.2  

<table>
<thead>
<tr>
<th>Category</th>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning orientations</td>
<td>1. Knowledge source</td>
<td>Preference for developing knowledge internally versus preference for acquiring knowledge developed externally.</td>
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<tr>
<td></td>
<td>2. Content-process focus</td>
<td>Emphasis on knowledge about what products or services are as compared to the emphasis on knowledge about how those products or services are developed or delivered.</td>
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<td></td>
<td>3. Knowledge reserve</td>
<td>Knowledge possessed by individuals as compared to knowledge that is publicly available.</td>
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<td></td>
<td>4. Dissemination mode</td>
<td>Knowledge shared in formal, prescribed methods as compared to knowledge shared through informal methods, such as role modeling and casual interaction.</td>
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<td></td>
<td>5. Learning scope</td>
<td>Preference for knowledge related to improvement of existing capabilities, products, or services as compared to preference for knowledge related to the development of new ones.</td>
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<td></td>
<td>6. Value-chain focus</td>
<td>Emphasis on learning investments in engineering or production activities versus sales or service.</td>
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<td></td>
<td>7. Learning focus</td>
<td>Development of knowledge pertaining to individual performance as compared to development of knowledge pertaining to group performance.</td>
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<tr>
<td>Facilitating elements</td>
<td>1. Scanning imperative</td>
<td>People gather information about conditions and practices outside their own unit; they seek out information about the external environment.</td>
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<td></td>
<td>2. Performance gap</td>
<td>There is a shared perception of a gap between present and desired performance.</td>
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<td></td>
<td>3. Concern for measurement</td>
<td>Considerable effort is spent defining and measuring key factors. Discourse over metrics is regarded as a learning activity.</td>
</tr>
<tr>
<td></td>
<td>4. Organizational curiosity</td>
<td>There is curiosity about conditions and practices, interesting creative ideas and new technologies, and support for experimentation.</td>
</tr>
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<td></td>
<td>5. Climate of openness</td>
<td>Organizational members communicate openly; problems, errors, or lessons are shared, not hidden.</td>
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<tr>
<td></td>
<td>6. Continuous education</td>
<td>The organization is committed to providing high-quality resources for learning.</td>
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<tr>
<td></td>
<td>7. Operational variety</td>
<td>Members value different methods, procedures, and competencies; they appreciate diversity.</td>
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<tr>
<td></td>
<td>8. Multiple advocates</td>
<td>New ideas and methods can be advanced by employees at all organizational levels. Multiple advocates or champions exist.</td>
</tr>
<tr>
<td></td>
<td>9. Involved leadership</td>
<td>Leaders are personally and actively involved in learning initiatives and ensuring that a learning environment is maintained.</td>
</tr>
</tbody>
</table>
10. Systems perspective

Organizational units and groups recognize interdependence and are aware of the time delay between actions and outcomes.

DiBella and Nevis’s (1998) model emphasizes knowledge acquisition and dissemination, organizational structures that encourage continuous education and experimentation, and a systems view of the organization. Across the scholarly literature reviewed, DiBella and Nevis’s model (1998) was cited in many literature reviews, but there was a significant lack of empirical studies applying their model. DiBella and Nevis did not believe that organizations need to be improved or changed in order to become a learning organization. For those reasons, their model was not selected for this study.

The Örtenblad model. Örtenblad’s (2013) model has four components: (1) learning at work (i.e., learning on the job); (2) organizational learning (i.e., closely aligning knowledge management practices to retain knowledge and develop organizational memory); (3) climate for learning (i.e., conditions in the organization that support and encourage learning); and (4) learning structure (i.e., the extent to which the organizational structure is flexible, organic, and can accommodate learning opportunities when they arise). Örtenblad (2013) argued for the development of a contingency model, which “identifies in which situations which aspect(s) or type(s) of the learning organization idea is/are relevant and preferable, and in which situations it/they is/are not” (p. 9).

All four components are required for a true learning organization to exist; however, Örtenblad (2013) suggested that many organizations are considered “partial learning organizations” when not all four components are clearly observed. Örtenblad (2013) recommended that organizations adopt a contingency model perspective and tailor learning practices and learning structures as applicable. Thus, he supported the
development of a learning organization for the unique needs for the organization rather than focusing on learning organization best practices. While this tailoring approach has been a recurring theme in the literature, it has faced skepticism from practitioners who continue to look for solutions or a prescribed way to build a learning organization. At the present time, Örtenblad’s (2013) model does not offer a diagnostic tool. Since it does not offer specific factors that are required for an organization to emerge as a learning organization, the researcher did not select this model to guide this study.

**The Pedler, Burgoyne, and Boydell model.** Pedler, Burgoyne, and Boydell (1991, 1997) developed the idea of the *learning company*. They defined the learning company as “an organization that facilitates the learning of all of its members and consciously transforms itself and its context” (Pedler et al., 1991, 1997, p. 3). The term *company* was used to move away from a view of a traditional top-down organization and convey a more collaborative approach. The learning company must be realized from within (Pedler et al., 1991, 1997). Their book, *The Learning Company*, provides an overview of 15 years of interviews with managers and workgroups at a number of British-based organizations. The model is based on 11 characteristics, as presented in Table 2.3.

This model was not chosen for this research study because Pedler et al. (1991) stated that a challenge with their model was the difficulty in diagnosing the whole company with large numbers of people without further validating the tool. Compared with other models, Pedler et al. (1991) used an approach similar to DiBella and Nevis’s (1998) later work, where the focus was on non–large-scale changes. Pedler et al. (1991) stated that the learning company “may change to adapt to new circumstances while
seeking to preserve its purpose, values and core identity” (p. 17). The researcher did not choose this model based on the belief that, in order to survive, an organization might start with a global and more radical approach to change rather than the smaller-scale change set out by Pedler et al. (1991).

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>1. Learning approach to strategy</td>
<td>The company checks on progress before fully committing to ideas. As such, deliberate small-scale experiments and pilot tests are built into the planning process to enable continuous improvement though feedback loops.</td>
</tr>
<tr>
<td>2. Participative policy making</td>
<td>All members of the company have a chance to take part, discuss, and contribute to major policy decisions. This enables greater participation from all members of the company.</td>
</tr>
<tr>
<td>3. ‘Informating’</td>
<td>Information technology is used to inform and empower people through dissemination of information. Information aids everyone’s understanding and enables them to make sound decisions.</td>
</tr>
<tr>
<td>4. Formative accounting and control</td>
<td>There is a system of accounting, budgeting, and reporting which assists in learning.</td>
</tr>
<tr>
<td>5. Internal exchange</td>
<td>Members of the company have the ability to act on their own initiative while being mindful of broader company needs as a whole.</td>
</tr>
<tr>
<td>6. Reward flexibility</td>
<td>Alternative reward systems are introduced. All members of the company discuss and plan out the nature and shape of reward systems.</td>
</tr>
<tr>
<td>7. Enabling structures</td>
<td>There is a focus on future change by looking at appraisals as opportunities for future learning and development versus reward and punishment.</td>
</tr>
<tr>
<td>8. Environmental scanning</td>
<td>The company regularly collects intelligence on the economy, market, and other sociopolitical events and examines how they affect the business.</td>
</tr>
<tr>
<td>9. Intercompany learning</td>
<td>The company engages in benchmarking practices by learning from competitors and other companies.</td>
</tr>
<tr>
<td>10. Learning climate</td>
<td>Learning is supported through all levels in the company, especially thought reflection and discussion.</td>
</tr>
<tr>
<td>11. Self-development for all members</td>
<td>Professional development and self-development opportunities are available at all levels in the company.</td>
</tr>
</tbody>
</table>
The Marquardt model. In his book *Building the Learning Organization*, Marquardt (2011) explained the components of his Systems Learning Organization Model, developed based on work with hundreds of organizations to become learning organizations. The model has five components: learning, organization, people, knowledge, and technology. This model is the most comprehensive and detailed approach to defining and implementing the learning organization. Marquardt’s model incorporates many aspects discussed in previous theories.

For the organization to become a learning organization, Marquardt (2011) concluded that all five subsystems must be present. Each subsystem expanded further to capture 29 areas of focus. This model has the most number of factors considered when building a learning organization. The Learning Organization Profile 50-item instrument was also developed, which rates an organization holistically. The subsystems are all interrelated and are “necessary to sustain viable, ongoing organizational learning and ensuring corporate success” (p. 21).

*Learning* is one of the most important subsystems. Learning occurs at three distinct levels: individual, group, and organizational. Individual learning involves self-study, technology-based learning, and observation. Group learning involves knowledge, skills, and competencies, which are enhanced by and within groups. The organizational learning identifies enhanced capabilities across the organization gained through a commitment to continuous learning. Learning also can be attained through three approaches: adaptive learning, where individuals reflect on past actions and adapt to modify actions in the future; anticipatory learning, where knowledge and skills are acquired based on perceived future opportunities; and action learning, where the group
learns through reflective inquiry around a problem. Action learning is identified as a key aspect of the learning organization. Action learning is an applied process that involves people working collaboratively to resolve organizational problems.

The *organization* subset identifies environmental factors that should be present for the learning organization to emerge. Organizations must have a clear vision of the future that others can relate to and co-evolve the vision as learning takes place; a culture that is open to learning and encourages teamwork; a strategy in place to optimize learning acquired, transferred, and utilized by individuals in the organization; and a structure that is more flat than hierarchical.

Development and sustainment of the *people* subsystem is vital to knowledge generation efforts because it is individuals who act and learn within the organization (Hedberg, 1981). The organization learns through employees, clients, business partners, suppliers and vendors, and the community. These social groups are a strategic imperative for the acquisition, transfer, and utilization of knowledge in order to become a learning organization (Garvin, 1993; Garvin et al., 2008).

The *knowledge* subsystem includes the acquisition, creation, storage, transfer, application, and dissemination of knowledge through multiple channels and all levels of the organization. This subsystem serves as a roadmap for the management of knowledge that contributes to innovation and survival.

Finally, Marquardt (2011) highlighted that *technology* is another key subsystem. Technology serves as the infrastructure to manage knowledge and enhance learning throughout the organization, which promotes sharing of knowledge and allows access to knowledge across the organization. This subsystem provides a means for the learning
organization to interact with multiple groups of people, across time and space boundaries. While researchers have cited various types of technology, social media and video teleconferencing in particular have significantly contributed to improving learning processes within organizations.

**Building the Learning Organization**

To become a learning organization, subsystems must be developed to support organizational learning capability. According to Marquardt’s (2011) normative perspective (DiBella, 1995), five such subsystems exist: organization, people, learning, knowledge, and technology. All interrelated subsystems are needed for viable, ongoing organizational learning (Marquardt, 2011). The researcher believes that Marquardt’s model prescribes how an organization can become a learning organization, and organizations that continuously change and adapt to the environment will have a higher chance of success in a competitive world.

Design is key to building the learning organization. Learning organizations require meaning, management, and measurement in order to realize their strategic initiatives (Garvin, 1993). Management must provide clear guidelines on what is expected and incorporate strong metrics to assess progress and status. According to Garvin (1993), a learning organization is “skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights” (p. 80).

**Change**

Change is the second theoretical construct that serves as the foundation for this study. Change plays a significant role in the development of a learning organization and,
thus, it is often seen walking hand in hand with the learning organization and
organizational learning literature (Marquardt, 2011).

Rowden (2001) showed how organizational strategic change initiatives have
adapted and grown over time, ending in the current iteration of strategic change:
becoming a learning organization. Many researchers have noted that learning is required
in order for any change to happen. Tsoukas and Chia (2002) addressed the new notion in
the change literature, which is the concept of change as not a rare exception to everyday
life but rather a normal and common occurrence. When change is viewed as normal, it
becomes second nature and the organization is able to react to various demands
effectively. Katz and Kahn (1968) presented the notion of organizations as open systems,
and this has been studied in many different capacities.

Huy and Mintzberg (2003), Van de Ven and Poole (1995), and Bennis, Benne,
and Chin (1961) provided the basis for this study’s review of learning organizations as a
function of change by providing different theoretical lenses regarding organizational
change. Several types of change are relevant for discussion when it comes to the
emergence and sustainability of learning organizations. Researchers have claimed that
change can be planned (Chin & Benne, 1989) or emergent (Van de Ven & Poole, 1995).
It can be regular or incremental (Klarner & Raisch, 2013; Michel, 2014). Others have
discussed change in terms of punctuated equilibrium (Romanelli & Tushman, 1994). Still
others have argued that change is a continuous state (March, 1991). Huy and Mintzberg
types of change: life cycle, evolution, dialectic, and teleology. Bennis et al. (1961)
provided three strategies for managing organizational change: empirical-rational, normative-reeducative, and power-coercive.

**Types of Change**

**Organic change.** Huy and Mintzberg (2003) proposed that the most natural form of unmanaged change is organic change, which occurs without any formal guidance. The members of the organization want to be valued, and this type of change assumes that individuals have a tendency to be innovative and creative. Organic change is change that arises from “the ranks” without being “formally managed” (Huy & Mintzberg, 2003, p. 80). This type of change does not develop through a formal occurrence or organizational directives or guidance. Organic change has been studied in real estate acquisitions (McMahan & Hester, 2000) and in the context of “the strategy, structure and context of large companies” (Marginson, Edwards, Armstrong, & Purcell, 1994, p. 3).

**Punctuated change and equilibrium.** Romanelli and Tushman (1994) proposed that organizations go through periods of evolution followed by short periods of revolution. This theory emphasizes the life cycle within organizations and supports the view that organizations, like life itself, are never linear, but instead go through positive and challenging periods. Romanelli and Tushman explained how a change disrupts the structured routines and cannot be structured.

**Teleology.** Teleology—along with dialectic, evolution, and life cycle—is one of the types of change proposed by Van de Ven and Poole (1995). They stated:

According to teleology, development of an organizational entity proceeds toward a goal or an end state. It is assumed that the entity is purposeful and adaptive; by itself or in interaction with others, the entity constructs an envisioned end state, takes action to reach it, and monitors its progress. Thus, proponents of this theory view development as a repetitive sequence of goal formulation, implementation,
evaluation, and modification of goals based on what was learned or intended by the entity. (p. 516)

Several themes in the literature apply teleological change within organizations, such as discussions of change and leadership (Aronson, 2001; Balibar, 2014; Joseph, Ngoboka, Ndahiro, & Eyaa, 2013; Nienaber & Svensson, 2013), stakeholders’ differing observations of a change (Michel, 2014), and analysis of the teleological change itself (Bekmeier-Feuerhahn, 2009; Stacey, 2007).

**Dialectic.** Van de Ven and Poole (1995) described dialectic change in organizations as a conflict followed by a resolution. The conflict could be created by different entities within or outside the organization and questions the organization’s stability. This type of change creates movement toward resolution, resulting in an organization that is likely different than when it started. The resolution to conflict might benefit both entities or favor one. For example, Martínez-Iñigo, Crego, Garcia-Dauder, and Domínguez-Bilbao (2012) explored the change in trade unions, which created a conflict that was forced to seek resolution.

**Evolution.** Van de Ven and Poole (1995) described the evolution that takes place in organizations as similar to the evolution that takes place during biological processes. The process happens regardless of the desire to change; it is naturally occurring, and the fittest will survive—which creates competition. The hope is that the evolution is positive because naturally organizations need to evolve and grow. For example, technological advances and the availability of multiple types of technological equipment and software are not stoppable. As soon as a competitor acquires new technology, it is natural for all other organizations in an industry to evolve or move toward progress. Evolution has been
studied in a variety of contexts, including sustainability in business schools (Benn & Rusinko, 2011).

**Life cycle.** The fourth type of change that Van de Ven and Poole (1995) discussed is life cycle. Life cycle change is a more natural and uncontrolled state of change. It involves a series of steps to achieve the end state. The environment can influence the expression of the change, but only in accordance with the sequence and outline of the steps. Life cycle change has been examined in regards to process dynamics (De Rond & Bouchikhi, 2004) and the development of the implementation of innovative operational research solutions (Martin, Metcalfe, & Harris, 2009).

**Strategies for Managing Organizational Change**

**Empirical-rational.** Bennis et al. (1961) related the empirical-rational strategy to the belief that people are inherently rational and will protect their self-interests. This particular strategy focuses on the communication of information and the offer of incentives for individual contributors in an organization or system. When the benefits outweigh the negatives, individuals are most likely to choose the path that leads to benefits. It is harder to implement the change when incentives do not outweigh the negatives; in such a case, individuals will most likely resist the change. This strategy has been examined in several studies, involving U.S. anti-smoking policies (Jin, Kenkel, Liu, & Wang, 2015), burnout in law enforcement officers (Russell, Cole, & Jones, 2014), and social policy related to the elderly population in the United States, the United Kingdom, and China (Chen, 2012).

**Normative-reductive.** A normative-reductive strategy assumes that people are inherently social and will follow established norms and values of the organization.
Change occurs through commitment from people to new norms and values. Aligning the formal and informal norms and values, as well as the leaders of both, is required to ensure a successful change (Bennis et al., 1961). For example, many employers might have a cap on the amount of leave that can be carried over at the end of each year. If the executive leadership supports employees’ taking time off, but because units are understaffed managers do not approve leave, employees face tension. When the norms and values are established, the support must come from all levels to ensure the change is implemented successfully. If proper support channels are not established, the employees will grow resentful toward leadership and thus resist change. This strategy has been studied in the nursing industry (May, 1996), as well as the public sector (O’Brien, 2002).

**Power-coercive.** Bennis et al. (1961) defined the power-coercive strategy, which is most likely to work with a group of people who are inherently compliant and follow directions from authority. Change occurs through the execution of authority and punishment for noncompliance. In a traditional U.S. work environment, this type of change might affect job satisfaction (Kumar & Moorthy, 2015), as employees do not have a lot of empowerment and decision-making capability. This strategy has been implemented in other countries such as Indonesia (Setyawan, Purwanto, Dharmmesta, & Nugroho, 2016), Brazil (Mendonça, Moreira, de Camargo, & El Faro, 2014), and Iran (Jalilvand & Nasrolahi, 2015). A power-coercive strategy can be effective with a group that is very compliant, with a lack of opposition to authority.

**Large-scale system change.** Apart from the four strategies of Bennis et al. (1961), Weisbord (1987) highlighted a strategy of “getting the whole system into the room” in order to create effective change. This idea became very popular, as many
practitioners saw this in action in their workplaces. To ensure a change is not undone, the whole organization or the system has to be looked at, not just one part of the organization. This wide view is extremely important, especially when dealing with large organizations, in which it’s much more difficult to control the whole system. Even though Weisbord provided much support for bottom-up organizational change, since individuals are what make up the culture, many researchers believe that organizational change is more effective coming from the executive leadership.

**Resistance to Change**

Piderit (2000) introduced the concept of resistance to change. The premise is that it is not enough to dictate a change; one must encourage enthusiasm for change by creating buy-in from all levels of the organization and generate support. The change cannot be forced on the organization, but should be facilitated.

Weiss (2006) clarified the concept of resistance by stating that it is a “generally accepted myth that holds that people resist change” (p. 475)—but that myth is “completely untrue.” He stated that change is the norm, and most people know that change will always be part of life. He suggested that what “people do resist, however, is ambiguity” (p. 475). Weiss suggested a variety of techniques that practitioners can use to minimize ambiguity and, thus, help employees adjust and plan accordingly. He suggested that focusing on the processes will create greater results than focusing on the content. It is not necessary to become an expert on the content, but it is highly important to become expect on the process such as communication and planning. Employees are less likely to resist when someone has laid out what to expect and what events are to follow. This support and guided process relate to Piderit’s concept of buy-in.
Structuration Theory

It is important to note the dynamic relationship between organizational structures and their effect on individual response to organizational change. Structuration theory is a social theory originally introduced by Anthony Giddens in his 1984 book, *The Constitution of Society*. Giddens’s perspective provides an abstract view of the interdependent relationship between structure and agents that extended through space and time (Giddens, 1984). Structuration theory is built on the foundation that each individual is a complex adaptive system and requires interaction from the environment to receive information and feedback regarding his or her actions (Giddens, 1984). A complex adaptive system refers to a system that emerges over time and adapts and organizes itself without any individual deliberately managing or controlling it (Anderson, 1999).

Fundamental elements of Giddens’s structuration theory include agency, duality, and categories of structure.

Giddens (1984) indicated that agency is central to the replication and transformation of social systems. He recognized that agents are concurrently empowered and constrained by social structuring. Knowledgeable agents help to create structures through their actions. Through reflection and evaluation, agents are subsequently able to change these structures.

Giddens used the term “duality of structure” to highlight the idea that structuration is simultaneously a process and an outcome. Structure exists within the agents as memory traces that link to what Giddens identified as phenomenological and hermeneutic inheritance. Structures comprise the “rules and resources” embedded in agents’ memory traces (Giddens, 1984, p. 25). Memory traces, embedded information
that is stored and retrieved, are the vehicle through which social actions are carried out. He believed that individuals consciously or unconsciously draw on their previously lived experience and interpretations that have been socially constructed. These structures create social action, which in turn repeats itself in a cycle of actions, serving to continuously reinforce or change future structures (Stones, 2005).

Giddens (1984) divided the memory traces into three categories of structure: the modalities of domination or power; signification or meaning; and legitimation or norms. He identified these categories as “modalities” when an agent uses them within social interaction. These modalities are observable in the form of interaction as facility/power, interpretive scheme/communication, and norms/sanctions.

**Summary of Literature**

This chapter has reviewed the literature on learning and change, two constructs that guided this study. The historic developments and characteristics of the learning organization were discussed. The researcher presented the differences between a learning organization and organizational learning. Multiple models of the learning organization have been proposed since 1991, and six of the most distinguished models were explored. The types of change were discussed in connection with becoming a learning organization. The researcher discussed change strategies and methods that dominate the current change literature.
CHAPTER 3:

METHODOLOGY

This study sought to provide greater understanding of how an organization becomes a learning organization, a goal in line with qualitative research (Merriam, 2009; Yin, 2014). According to Merriam and Tisdell (2016), qualitative research is conducted so that researchers may better understand “how people interpret their experiences, how they construct their worlds, and what meaning they attribute to their experiences” (p. 6).

This chapter describes the research design and explains the rationale for the chosen methodology. The chapter then describes criteria for site and participant selection and details the procedures used for data collection and analysis. Sections on trustworthiness and ethics close the chapter. Table 3.1 provides a summary of the research design and the timeline for data collection.

Research Approach and Design

The role of the researcher is very important in a qualitative study, as researchers collect and analyze data (Creswell, 2014; Lichtman, 2010). Researchers can work under a variety of paradigms. The interpretive paradigm recognizes multiple, subjective realities, whereas the positivist paradigm believes there is only one reality that can be studied and analyzed (Crotty, 2011). According to Feilzer (2010), the pragmatic paradigm aims to view the world in other terms, allowing the researcher to investigate what works as the truth regarding the research question under investigation (Tashakkori & Teddlie, 2003).
Table 3.1  
**Summary of Research Design**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method</strong></td>
<td>Qualitative case study, conducted through a pragmatic lens</td>
</tr>
<tr>
<td>Research question</td>
<td>How is a major financial institution becoming a learning organization across five subsystems as defined by the Marquardt’s (2011) Systems Learning Organization Model?</td>
</tr>
<tr>
<td>Research design</td>
<td>• In-depth case study investigation</td>
</tr>
<tr>
<td></td>
<td>• Primary data sources:</td>
</tr>
<tr>
<td></td>
<td>o Learning Organization Profile responses collected from employees</td>
</tr>
<tr>
<td></td>
<td>o Interviews with executives, a purposeful sample</td>
</tr>
<tr>
<td></td>
<td>o Focus group interviews with mid managers</td>
</tr>
<tr>
<td></td>
<td>o Document collection, including communications in news and social media, archival records, organizational artifacts</td>
</tr>
<tr>
<td></td>
<td>o Direct site observation</td>
</tr>
<tr>
<td>Participants</td>
<td>Individuals employed by selected study site</td>
</tr>
<tr>
<td>Data analysis</td>
<td>• SPSS for any historical data analysis and descriptive statistics</td>
</tr>
<tr>
<td></td>
<td>• NVivo for qualitative data storage and analysis</td>
</tr>
<tr>
<td>Trustworthiness</td>
<td>• Triangulation</td>
</tr>
<tr>
<td></td>
<td>• Member checks</td>
</tr>
<tr>
<td></td>
<td>• Reflexive journal</td>
</tr>
<tr>
<td>Timeline</td>
<td>• Sep. 2017: Beginning of observation and document review</td>
</tr>
<tr>
<td></td>
<td>• Nov-Dec. 2017: Interviews, focus groups, and survey</td>
</tr>
<tr>
<td></td>
<td>• Jan. 2018: Completion of data collection</td>
</tr>
</tbody>
</table>

One of the most important features of pragmatism is that it rejects the distinction between realism and antirealism, which has been at the core of the debate between positivism versus interpretivism in the social sciences. The researcher’s worldview is that such a thing as reality exists, but it is ever changing, based on our actions. Human actions have outcomes that are often quite predictable, and we build our lives around experiences that link actions and their outcomes.

The researcher’s pragmatic worldview guided this study, which used “all approaches available to understand the problem” (Creswell, 2014, p. 10). Pragmatists do not view the world as something to be subjected to radical criticism (Crotty, 2011).
Knowledge claims arise out of action, situations, and consequences. Research is grounded in understanding the problem first and foremost, while also recognizing that research always occurs in social, historical, and political contexts. Case study aligns with a pragmatic view that knowledge can be gained through a variety of sources.

**Case Study Methodology**

The methodology selected for this study was case study, through which a researcher gains a greater understanding of a phenomenon within a bounded system or case, “an in-depth description and analysis of a bounded system” (Merriam, 2009, p. 40). Case studies allow use of a variety of data collection and analysis methods, such as interviews, observation, document review, and focus groups. The case study methodology is a unique niche for researchers seeking answers to “how” and “why” questions within a real-world context (Yin, 2014). Yin’s (2014) guidance was followed in developing a single-case research design. The research study was grounded in Marquardt’s (2011) Systems Learning Organization Model, using Yin’s research methodology to explore the research question.

The researcher considered other methodologies, but they were not as aligned with the goals of the study. A quantitative approach was considered; while the researcher would have liked to understand cause-and-effect relationships, that would not have enabled an understanding of “how” and “why” an organization becomes a learning organization. The researcher also considered alternative qualitative approaches: narrative research, phenomenology, and grounded theory (Creswell, 2014). Narrative research is focused on the telling of stories relating primarily to individual experiences. The researcher might have used stories as part of data collection, but interviews served as a
better collection tool within the case study methodology, as the researcher sought to examine specific processes, policies, and events that took place within the organization. Phenomenology, like narrative research, could be relevant to this study, but it is also dependent on experience. Phenomenology allows researchers to detail the essence of lived experiences through the eyes of the participants (Creswell, 2014), but this study aimed to understand processes associated with the emergence of an organization as a learning organization. A grounded theory approach focuses on developing theory. Yin (2014) stated that it is possible to derive a theory from a case study, but that was not the primary objective of this research.

**Bounding the Case**

The researcher relied on Yin’s (2014) methodology, which calls for setting boundaries for the case to define the scope of data collection and differentiate the case from the broader context. Merriam (2009) also stated that a case study should be bounded. For this study, the case was bounded to one organization, with a number of data sources used to answer the research question (Yin, 2014). The primary research question of this study was to understand how systems, processes, and events contribute to a financial institution becoming a learning organization across five subsystems as defined by Marquardt’s (2011) Systems Learning Organization Model. The guidance of Yin (2014) supported the direction of this study’s research methodology as a single case study.
Site and Participant Selection

Many criteria have to be considered when choosing a site for case study research, such as accessibility, control, and other fit characteristics of a learning organization. To select an appropriate case, the researcher considered the organization’s longevity, sustained superior performance in the financial industry, and characteristics indicative of a learning organization. Yin (2014) encouraged identifying the case and seeking compromise in matters pertaining to disclosure of the identities of both the case and the participants. In regards to this case, compromise was not possible without jeopardizing exposure to the organization’s core strategic positioning and internal processes and policies. The selected organization is a nonprofit financial organization which is highly regulated, and disclosing any operational information would highly impact its customers and the organization itself.

The organization that was selected met the longevity criteria, as it has been in existence for over 50 years. It also has a strong record, as it is one of the leading organizations in the financial industry. The organization met all its business goals over the last 5 years. Choosing an organization within the financial services industry provided a unique opportunity to explore an industry that has many regulations and restrictions associated with developing new products. The organization also demonstrated characteristics of a learning organization (Garvin et al., 2008; Marquardt, 2011; Yang et al., 2004), such as having a chief learning officer position and listing creation of a learning culture as one of its strategic objectives.

A purposeful sampling technique (Merriam, 2009) was implemented for interviews and focus groups. The researcher determined that it would be of most interest
to interview executives, who set the organization’s vision and strategic goals. It was considered important to interview not only executives responsible for the “learning” departments, but also those on the operations side, thus providing more richness for the study. Managers were targeted for two focus groups to give insight into the events, processes, and policies that were recently implemented.

**Participants**

Every effort was made to keep participants’ identity and data confidential. Protecting participants’ employment and giving them the ability to speak freely about the questions seemed more important to the researcher than any benefits related to obtaining their demographic information. Thus, no names or demographic information was collected. The identity of the participants was in no way linked to the data collected in this study. Per the institutional review board protocol for this study, the researcher did not collect demographic information about the participants.

The study was conducted with a total of 83 participants: 63 individuals completed the survey, 10 individuals participated in one-on-one interviews, and 10 individuals participated in the focus groups. All participants were enthusiastic about participating in this research study. Interestingly, the executives showed more enthusiasm and willingness to help with the researchers’ questions than the managers.

**Data Collection Methods and Process**

The data collection for this research took place over a 4-month period. The researcher started document review and observation in September 2017 followed by interviews, focus groups, and survey in November and December 2017. All data
collection was completed by January 2018. Although activities were planned ahead and time, there was a balancing act between the researcher’s and the participants’ schedule and work priorities, as well as some scheduling conflicts due to a business need.

The researcher gathered data from five sources: survey, document review, direct observation, interviews with executives, and focus groups with middle managers. Each of these sources provided a different type of information; however, according to Yin (2014), one source is not superior to another. The researcher selected these techniques to collect data in hopes of reaching an optimal amount of data to answer the research question.

**Data Source 1: Learning Organization Profile Instrument**

The researcher administered the Learning Organization Profile instrument (Marquardt, 1996) to a sample of employees (see Appendix A). The instrument consists of 50 items that aim to assess employees’ perception of where the organization stands on being a learning organization along five subsystems: people, technology, knowledge, organization, and learning.

Griego, Geroy, and Wright (2000) reported internal consistency reliability using Cronbach’s alpha. The five predictor variables had values in the high 0.80’s and low 0.90’s, with only one moderate alpha below 0.80, while the Learning Organization Profile as a whole had a very high reliability score of 0.97. Francisco Sofo (personal correspondence to M. Marquardt, April 11, 2017; Griego & Geroy, 1999) performed a factor analysis and determined that all five factors were consistent, except for the people dimension, where there seemed to be two subfactors, people internal and people external to the organization.
For the purposes of this study, a cross-sectional survey design was used. Cross-sectional survey design involves data collection that occurs at one moment in time, with results painting a quantitative portrait of the attitudes and beliefs of respondents (Creswell, 2014). The participants selected for the survey were not predetermined, but selected randomly during the time period of 11:00 AM and 2:00 PM for 5 days. Once the individual agreed to participate, the researcher provided him or her with a consent form for the survey (see Appendix D). The researcher asked participants to complete the survey on paper due to logistical issues. The total amount of time participants took to complete the survey was around 20 minutes, but some participants needed additional time. At the conclusion of each day, the researcher took all completed copies of the survey, numbered them, and then manually entered the data into SPSS. Once the data were loaded and checked against the paper copies for accuracy, a fellow student researcher reviewed the data file, validated that data entry was complete and accurate, and shredded the paper copy. A total of 63 participants completed the survey.

**Data Source 2: Document Review**

Marshall and Rossman (2011) suggested that the researcher should not aim to collect as much information as possible, as a lot of it might be not relevant to the research question. The collection of documents should be purposeful. Documents collected for this study were chosen to help the researcher understand the transformation of the organization by looking at artifacts about the organization’s history, mission and vision, learning practices, as well as operations. The researcher completed a thorough review to identify documents in support of the five factors required for a learning organization. All documents were kept confidential.
Data collection began months before field research commenced with an Internet search for the company’s name and review of multimedia materials, news stories, and websites that referenced the organization. Once in the organization, the researcher asked all interview and focus group participants to provide any documents that might be of interest to the researcher in answering the research question. The Internet search for the company name initially produced 704,000 results. The top results were the company’s website and references on social media sites such as LinkedIn and Facebook. In addition, there were 13 active advertisement videos. Ultimately, the researcher reviewed 194 files of various importance from across the organization. The most helpful documents were the strategic plans for 2009 to 2014 and for 2014 to 2019, a letter from the chief executive officer used for onboarding new employees, and training completion data pulled from the learning management system.

**Data Source 3: Observation**

Merriam (2009) stated that “observational data represent a firsthand encounter with the phenomenon of interest rather than a secondhand account of the world obtained in an interview” (p. 117). Using Merriam (2009) as a guide for an observer-as-participant role, an observation protocol and field note guidance were prepared to assist the researcher in capturing details about the organization. The researcher took note of the physical environment where employees interacted and learned, as Yin (2014) claimed the environment in which subjects are observed contributes to the researcher’s understanding of the culture of the organization. The observation provided evidence not found in the documents and supported the researcher’s understanding of organizational policies,
procedures, and structures that support learning and attest to being a learning organization.

The researcher used a field notes journal to capture observations of the physical aspects of the organization. After each observation session, the researcher typed the notes in narrative form. Three 2-hour sessions were held where the researcher walked around the building and spent time in the conference rooms, hallways, or other general areas in the headquarters. The researcher took notice of physical artifacts around the building such as posters, bulletin boards, banners, break room notices, and numerous TVs around the building with pertinent information including employee recognition. Findings were summarized, noting in great detail environmental aspects and activities that were observed.

Data Source 4: Interviews

Interviews allow the researcher to obtain information that cannot be observed and to gain a greater understanding of the phenomenon (Merriam & Tisdell, 2016). Interviews were a very valuable tool for this study, as they provided insight into the actions and events that took place over the last several years. Three types of interviews can be used during a qualitative study: structured, semistructured, and unstructured. In highly structured interviews, questions, and the order they are presented, are determined beforehand. An extreme example of a highly structured interview would be the U.S. Census Bureau’s survey that gathers data regarding ethnicity, gender, education, and other demographic characteristics. The positive element of a highly structured interview is that it ensures researchers obtain the exact data that is sought. The downfall is that, due to its restrictive nature, it may fail to provide data regarding participants’ perspectives or
interpretations of their environment (Merriam & Tisdell, 2016). Semistructured interviews provide either a mix of highly structured or loosely structured questions, or allow all of the questions to be worded in a flexible way. This flexibility allows the researcher to respond to the participant in real time, based on the interview’s progress and the data coming out of it (Merriam & Tisdell, 2016). The unstructured interview is best used when the researcher does not have enough information on the subject of the study to ask specific questions regarding it (Merriam & Tisdell, 2016). For this study, the semistructured interview was determined to be the best way to elicit the most information to respond to the research question. An interview protocol was established with specific questions (see Appendix B), but the researcher was able to ask additional questions that emerged during the dialogue.

The human resources representative provided the researcher with the organization’s structure. The researcher identified at least one executive in each department that would be beneficial to interview. The researcher also selected at least one back-up candidate for the interview portion of the research. The researcher knew that executives might have tight schedules or might not find their contribution to the research to be of value. The researcher contacted all executives individually via email. The email contained a brief description of the researcher and the study, as well as the consent form for the interview (see Appendix D). Eight of the interviews were conducted in person in the executive’s office. Two of the interviews were held by phone, as the individuals were traveling during the data collection period.
Data Source 5: Focus Groups

The last source of evidence was focus groups. Marshall and Rossman (2011) explained that focus groups afford the researcher the opportunity to gather a wider view of information about the topic at hand that individual interviews might not offer. Hennink (2014) agreed, commenting that focus groups “uncover various facets and nuances of issues that are simply not available by interviewing an individual participant” (p. 3). The focus groups were an additional source of data from the managers in the organization. Gathering managers in the same room allowed open conversation and the cross-referencing of information for consistency or various perspectives between the executive suite and mid-management. The researcher constructed the focus group based on guidance from Krueger (1998) and Krueger and Casey (2015).

The researcher wanted to have middle managers participate in the study in order to bring their unique perspective. However, it was not feasible to interview all managers due to the volume. Ten managers were chosen for participation through a combination of methods. Individuals from the organizational chart were selected at random, and executive interviewees were invited to recommend a manager for participation. Using a snowball method, initial participants recommended other participants. The snowball method is a form of purposeful sampling, involving the identification of a few key participants who meet the research criteria and then suggest other potential participants (Merriam, 2009). The researcher contacted all potential focus group participants via email, introducing herself, giving a brief overview of the study, and providing the consent form for the focus group (Appendix D). The protocol for the focus groups appears in Appendix C.
Data Analysis

Data analysis was conducted using reduction and interpretation techniques (Patton, 1990). Merriam and Tisdell (2016) recommended this form of data analysis as well, which involves an inductive process wherein data are placed into abstract categories or themes. Qualitative data were loaded into the computer-assisted qualitative data analysis program NVivo. This program allows the researcher to store and password protect all materials in a cloud-based electronic filing system to ensure all data are kept confidential. The researcher transcribed all interviews and focus groups, and the transcripts were labeled and uploaded into the software. The documents collected from the organization depicting historic evidence were also labeled and uploaded, as were the observation notes from the researcher’s field journal.

Marshall and Rossman (2011) recommended developing an initial list of themes and categories prior to data collection and analysis. This helps to ensure the data collection stays relevant to the research question. The researcher identified initial themes that were derived from Marquardt’s (2011) Systems Learning Organization Model, as this model was driving the research question. Additionally, the themes were drawn from concepts from the literature review. These initial themes did not limit the researcher, but served as a starting point for the analysis. Ultimately, the researcher was open to other themes that emerged from the data during the analysis phase. According to Creswell (2014), some additional themes that emerge from the data may be unexpected and even surprising. The researcher remained open-minded when reviewing the data rather than sticking strictly to the original list of themes; such an effort was important for increasing the study’s trustworthiness.
Once the data were uploaded and labeled, the researcher reviewed the data without categorizing or coding. This effort focused on taking in all of the information. Afterwards, single words and phrases were coded in NVivo to record an initial interpretation. A code, according to Saldaña (2009), is a word or short phrase that “symbolically assigns a summative, salient, essence-capturing, and/or evocative attribute for a portion of language-based or visual data” (p. 3). The researcher then began the process of assigning themes to pieces of data.

**Trustworthiness**

Trustworthiness is very important in the qualitative research. The researcher used multiple methods to increase the trustworthiness of this research study, including member checks, triangulation, an audit trail, peer review, and a reflexivity statement:

- The researcher implemented member checks for the focus groups and interviews. The member checks gave participants the ability to review transcripts and validate the accuracy of what was captured, which enhanced the reliability of the data collected (Marshall & Rossman, 2011; Merriam, 2009).

- The researcher triangulated data received from the five different data sources. Krefting (1991) stated that using multiple sources “maximizes the range of data that might contribute to complete understanding of the concept” (p. 219). The researcher waited until the end of data collection to analyze data in order to see the holistic picture rather than making any assumptions or conclusions based on partial data.

- According to Merriam (2009), researchers should provide “a detailed account of the methods, procedures, and decision points in carrying out the study” (p. 229).
The researcher provided an audit trail by tracking information in a journal and maintaining all data from the study.

- During the data analysis phase, as another check to eliminate researcher bias, the researcher utilized a peer reviewer, who reviewed the themes that were derived to ensure the researcher did not cultivate a bias.

- The researcher worked to ensure that the study participants’ voices were heard and not misrepresented by the researcher’s assumptions and view. The researcher’s reflexivity statement, below, was a key strategy, as it involved disclosing self-awareness and critical self-reflection.

**Reflexivity Statement**

Krefting (1991) and Johnson (1997) claimed that stating researchers’ personal history and the multiple roles they played while engaged in the research helps to establish greater trust in the study. Since this study involved the financial industry, it is important to note that the researcher has worked in the financial industry for 10 years. The researcher was very familiar with the organization studied as well as with other organizations in this industry. With a bachelor’s degree in psychology and a master’s of education degree in adult education and human resource development, the researcher worked as a learning professional in the financial sector at the time of the study and had spent over 10 years designing and developing tools for knowledge acquisition. The researcher also led many company-wide learning initiatives and worked to facilitate and support change management. The motivation for this study was to document and increase support for the importance of learning organizations in the financial industry. The financial industry was of interest because it is one of the most regulated industries and is
often resistant to change. The findings help inform an understanding of how a financial organization can exhibit qualities of a learning organization.

**Human Participants and Ethical Precautions**

This research followed guidelines established by The George Washington University’s Institutional Review Board. As research was conducted, there was a continual effort to maintain a general awareness of vulnerable populations, imbalanced power relations, and risks for participants (Creswell, 2014). Lichtman (2010) stated that “ethical behavior represents a set of moral principles, rules, or standards governing a person or a profession” (p. 54). The researcher was mindful to ensure that no participant was hurt. It was expected that positive outcomes outweighed any negative outcomes. The nature of qualitative inquiry, in an organization operating in a regulated industry, could potentially cause discomfort to the participants. Therefore, the well-being of the research participants remained the researcher’s top priority as she gathered data.

The organization’s and the participants’ anonymity was protected through all phases of the study. Participants provided informed consent, and it was emphasized that participation was voluntary and they could choose not to participate or could withdraw their participation at any time; in addition, they could choose not to answer any specific question.
CHAPTER 4:
RESULTS

The purpose of this qualitative, single-case, descriptive study was to understand how a large financial institution attempts to become a learning organization. To fulfill the purpose of this study, the following research question was addressed: How is a major financial institution becoming a learning organization across five subsystems as defined by Marquardt's (2011) Systems Learning Organization Model? This chapter begins with a case study site description. Then, the researcher presents data collected for each subsystem via the Learning Organization Profile survey, document review, observation, interviews, and focus groups. The chapter concludes with an integrative summary of the findings from the five data sources across the five subsystems in the model.

Case Study Site Description

The organization chosen for this study was a nonprofit credit union that has been in existence for over 50 years. The credit union serves a specific membership and is a full financial operation, meaning that it has branches, mobile and online banking, and dozens of products and services. This organization has locations worldwide and serves members only in English. The organization headquarters is located in the United States. The researcher conducted research only at the headquarters location, which is where the executives reside. The researcher did not reach out to employees located regionally, as it would add additional variability due to possible regional differences. The organization expanded its operation in 2009 by increasing membership and adding additional positions to support its growth. The organization demonstrated several parameters
indicative of a learning organization, such as indicating a desire to improve its processes and products, exceeding business goals, and having learning as one of its strategic objectives.

**Survey Findings**

Based on 63 survey responses, the organization received a total average score of 120 out of 200 based on the Learning Organization Profile questionnaire. According to Marquardt (2011), a score of 150 or above shows a strong presence of learning organization characteristics. A score of 120 shows that the organization definitely demonstrated the learning organization characteristics. The results indicated that the participants believed that the organization performed the highest in the technology subsystem. The organization, knowledge, and learning subsystems received scores that were just a few points apart. The mean for each subsystem, as well as the lowest and highest score for each subsystem, is shown in Table 4.1.

<table>
<thead>
<tr>
<th>Subsystem</th>
<th>Mean</th>
<th>Lowest score</th>
<th>Highest score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning</td>
<td>24.14</td>
<td>14</td>
<td>33</td>
</tr>
<tr>
<td>Organization</td>
<td>24.35</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>People</td>
<td>21.76</td>
<td>14</td>
<td>34</td>
</tr>
<tr>
<td>Knowledge</td>
<td>24.35</td>
<td>17</td>
<td>34</td>
</tr>
<tr>
<td>Technology</td>
<td>25.99</td>
<td>14</td>
<td>36</td>
</tr>
</tbody>
</table>

Table 4.2 shows the means and standard deviations for all 50 items in the instrument, as well as corresponding subsystems. Based on personal correspondence with Dr. Marquardt, a score of 2.5 or greater per item was a strong indicator.
<table>
<thead>
<tr>
<th>Item</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. We see continuous learning by all employees as a high business priority.</td>
<td>2.92</td>
<td>0.75</td>
</tr>
<tr>
<td>2. We are encouraged and expected to manage our own learning and development.</td>
<td>3.08</td>
<td>0.66</td>
</tr>
<tr>
<td>3. People avoid distortion of information and blocking of communication channels through skills such as active listening and effective feedback.</td>
<td>2.02</td>
<td>0.55</td>
</tr>
<tr>
<td>4. Individuals are trained and coached in learning how to learn.</td>
<td>2.11</td>
<td>0.86</td>
</tr>
<tr>
<td>5. We use various accelerated learning methodologies (e.g., mindmapping, mnemonics, peripherals, imagery, music, etc.).</td>
<td>2.32</td>
<td>1.16</td>
</tr>
<tr>
<td>6. People expand knowledge through adaptive, anticipatory and creative learning approaches.</td>
<td>2.38</td>
<td>0.83</td>
</tr>
<tr>
<td>7. Teams and individuals use the action learning process (that is, learning from careful reflection on the problem or situation, and applying it to future actions).</td>
<td>2.00</td>
<td>0.44</td>
</tr>
<tr>
<td>8. Teams are encouraged to learn from one another and to share learnings in a variety of ways (e.g., via electronic bulletin boards, printed newsletters, intergroup meetings, etc.).</td>
<td>2.65</td>
<td>0.70</td>
</tr>
<tr>
<td>9. People are able to think and act with a comprehensive, systems approach.</td>
<td>2.62</td>
<td>0.63</td>
</tr>
<tr>
<td>10. Teams receive training in how to work and learn in groups.</td>
<td>2.05</td>
<td>0.68</td>
</tr>
<tr>
<td>11. The importance of being a learning organization is understood throughout the organization.</td>
<td>2.68</td>
<td>0.95</td>
</tr>
<tr>
<td>12. Top-level management supports the vision of a learning organization.</td>
<td>2.71</td>
<td>0.94</td>
</tr>
<tr>
<td>13. There is a climate that supports and recognizes the importance of learning.</td>
<td>2.84</td>
<td>0.79</td>
</tr>
<tr>
<td>14. We are committed to continuous learning for improvement.</td>
<td>2.94</td>
<td>0.59</td>
</tr>
<tr>
<td>15. We learn from failures as well as successes.</td>
<td>2.79</td>
<td>0.79</td>
</tr>
<tr>
<td>16. We reward people and teams for learning and helping others learn.</td>
<td>1.94</td>
<td>0.59</td>
</tr>
<tr>
<td>17. Learning opportunities are incorporated into operations and programs.</td>
<td>2.48</td>
<td>0.67</td>
</tr>
<tr>
<td>18. We design ways to share knowledge and enhance learning throughout the organization (e.g., systematic job rotation across divisions, structured on-the-job learning systems).</td>
<td>2.67</td>
<td>0.84</td>
</tr>
<tr>
<td>19. The organization is streamlined, with few levels of management, to maximize the communication and learning across levels.</td>
<td>1.52</td>
<td>0.67</td>
</tr>
<tr>
<td>20. We coordinate on the basis of tasks and goals rather than maintaining separation in terms of fixed departmental boundaries.</td>
<td>1.78</td>
<td>0.77</td>
</tr>
<tr>
<td>21. We strive to develop an empowered workforce that is able to learn and perform.</td>
<td>2.59</td>
<td>0.56</td>
</tr>
<tr>
<td>22. Authority is decentralized and delegated so as to equal one’s responsibility and learning capability.</td>
<td>1.70</td>
<td>0.53</td>
</tr>
<tr>
<td>23. Managers and non-managers work together in partnership, to learn and solve problems together.</td>
<td>2.33</td>
<td>0.72</td>
</tr>
<tr>
<td>24. Managers take on the roles of coaching, mentoring, and facilitating learning.</td>
<td>1.90</td>
<td>0.56</td>
</tr>
<tr>
<td>25. Managers generate and enhance learning opportunities as well as encourage experimentation and reflection on what was learned so that new knowledge can be used.</td>
<td>1.87</td>
<td>0.75</td>
</tr>
<tr>
<td>26. We actively share information with our customers, to obtain their ideas and inputs in order to learn and improve services/products.</td>
<td>2.49</td>
<td>0.74</td>
</tr>
<tr>
<td>Item</td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>---------------------------------------------------------------------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>27. We give customers and suppliers opportunities to participate in learning and training activities.</td>
<td>2.51</td>
<td>0.88</td>
</tr>
<tr>
<td>28. Learning from partners (subcontractors, teammates and suppliers) is maximized through upfront planning of resources and strategies devoted to knowledge and skill acquisition.</td>
<td>2.16</td>
<td>0.65</td>
</tr>
<tr>
<td>29. We participate in joint learning events with suppliers, community groups, professional associations, and academic institutions.</td>
<td>2.37</td>
<td>0.99</td>
</tr>
<tr>
<td>30. We actively seek learning partners among customers, vendors and suppliers.</td>
<td>1.84</td>
<td>0.88</td>
</tr>
<tr>
<td>31. People actively seek information that improves the work of the organization.</td>
<td>2.90</td>
<td>0.76</td>
</tr>
<tr>
<td>32. We have accessible systems for collecting internal and external information.</td>
<td>2.49</td>
<td>0.74</td>
</tr>
<tr>
<td>33. People monitor trends outside our organization by looking at what others do (e.g., benchmarking best practices, conferences, and examining published research).</td>
<td>2.46</td>
<td>0.98</td>
</tr>
<tr>
<td>34. People are trained in the skills of creative thinking and experimentation.</td>
<td>1.89</td>
<td>0.74</td>
</tr>
<tr>
<td>35. We often create demonstration projects where new ways of developing a product and/or delivering a service are tested.</td>
<td>2.22</td>
<td>0.75</td>
</tr>
<tr>
<td>36. Systems and structures exist to ensure that important knowledge is coded, stored and made available to those who need and can use it.</td>
<td>2.48</td>
<td>0.53</td>
</tr>
<tr>
<td>37. People are aware of the need to retain important organizational learnings and share such knowledge with others.</td>
<td>2.44</td>
<td>0.69</td>
</tr>
<tr>
<td>38. Cross-functional teams are used to transfer important learning across groups, departments and divisions.</td>
<td>2.24</td>
<td>0.64</td>
</tr>
<tr>
<td>39. We continue to develop new strategies and mechanisms for sharing learning throughout the organization.</td>
<td>2.62</td>
<td>0.55</td>
</tr>
<tr>
<td>40. We support specific areas, units, and projects that generate knowledge by providing people with learning opportunities.</td>
<td>2.60</td>
<td>0.55</td>
</tr>
<tr>
<td>41. Learning is facilitated by effective and efficient computer-based information systems.</td>
<td>2.63</td>
<td>1.10</td>
</tr>
<tr>
<td>42. People have ready access to the information highway (local area networks, internet, on-line, etc.).</td>
<td>3.24</td>
<td>1.04</td>
</tr>
<tr>
<td>43. Learning facilities (e.g., training and conference rooms) incorporate electronic multimedia support and a learning environment based on the powerful integration of art, color, music and visuals.</td>
<td>3.03</td>
<td>0.69</td>
</tr>
<tr>
<td>44. Computer-assisted learning programs and electronic job aids (e.g., just-in-time and flowcharting software) are readily available.</td>
<td>2.83</td>
<td>0.94</td>
</tr>
<tr>
<td>45. We use groupware technology to manage group processes such as project management, team process, and meeting management.</td>
<td>2.65</td>
<td>0.48</td>
</tr>
<tr>
<td>46. We support just-in-time learning, a system that integrates high-technology learning systems, coaching, and actual work on the job into a single, seamless process.</td>
<td>2.17</td>
<td>0.79</td>
</tr>
<tr>
<td>47. Our electronic performance support systems enable us to learn and to perform our work better.</td>
<td>2.29</td>
<td>0.81</td>
</tr>
<tr>
<td>48. We design and tailor our electronic performance support systems to meet our learning needs.</td>
<td>2.46</td>
<td>0.71</td>
</tr>
<tr>
<td>49. People have full access to the data they need to do their jobs effectively.</td>
<td>2.25</td>
<td>0.65</td>
</tr>
</tbody>
</table>
As shown in Table 4.3, technology, which had the highest total score, had no items in the bottom 10; similarly, people, which had the lowest total score, had no items in the top 10. The other subsystems had items that ranked both at the top and the bottom.

### Table 4.3

*Learning Organization Profile Results: Number of Items in Top 10 and Bottom 10 by Subsystem*

<table>
<thead>
<tr>
<th>Subsystem</th>
<th>Items in top 10</th>
<th>Items in bottom 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Organization</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>People</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Knowledge</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Technology</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

**Document Review Findings**

A search for the company name initially produced 704,000 results. The top results were the company’s website and references on social media sites such as LinkedIn and Facebook. In addition, there were 13 active advertisement videos. The search also showed that this organization had received many awards and honors from various groups. Among these awards were several training awards, indicating that learning is of value to the organization. The organization had to submit an application to be considered for the award, demonstrating the interest and the significance it placed on being identified as having high learning indicators. The researcher also came across many reviews and ratings, including reviews from customers.

The researcher collected 194 files of various importance from across the organization. The most helpful documents were the strategic plan for 2009-2014 and
2014-2019, a letter from the CEO used for onboarding new employees, and training completion data pulled from the Learning Management System (LMS).

Based on the document review, the researcher identified information related to the five subsystems. The information is summarized in Table 4.4.

<table>
<thead>
<tr>
<th>Subsystem</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning</td>
<td>• Formal curriculum available to all employees</td>
</tr>
<tr>
<td></td>
<td>• Summary of the required competencies for each role aligned to learning</td>
</tr>
<tr>
<td></td>
<td>• Professional development opportunities available to all employees</td>
</tr>
<tr>
<td></td>
<td>• Vendor-developed training available</td>
</tr>
<tr>
<td></td>
<td>• 1000+ learning opportunities housed in the Learning Management System</td>
</tr>
<tr>
<td>Organization</td>
<td>• Strategic objective: skilled and knowledgeable workforce</td>
</tr>
<tr>
<td></td>
<td>• Strategic objective: empowered workforce</td>
</tr>
<tr>
<td></td>
<td>• Employer of choice recognition (identified six prestigious awards in 2017)</td>
</tr>
<tr>
<td></td>
<td>• Communication that learning is important from the CEO in the “letter from the CEO” for new employees</td>
</tr>
<tr>
<td></td>
<td>• Organizational structure</td>
</tr>
<tr>
<td></td>
<td>• Benchmarking, comparisons with industry reports and analysis</td>
</tr>
<tr>
<td>People</td>
<td>• Empowerment index &gt;4.5 in 2017</td>
</tr>
<tr>
<td></td>
<td>• High engagement per Engagement Survey</td>
</tr>
<tr>
<td></td>
<td>• Turnover at a new record low, &lt;20% in 2017</td>
</tr>
<tr>
<td></td>
<td>• Process improvement forums held across the organization on different topics</td>
</tr>
<tr>
<td>Knowledge</td>
<td>• Corporate Learning Management System housing all learning available to employees</td>
</tr>
<tr>
<td></td>
<td>• 1000+ job aids and resources housed on the award-winning entrant</td>
</tr>
<tr>
<td></td>
<td>• Road map to implement just-in-time and adaptive learning</td>
</tr>
<tr>
<td></td>
<td>• Vendor-created strategic curriculum</td>
</tr>
<tr>
<td></td>
<td>• Customer feedback analysis</td>
</tr>
<tr>
<td></td>
<td>• Training feedback analysis from employees</td>
</tr>
<tr>
<td>Technology</td>
<td>• Strategic objective: evolve information services’ capabilities</td>
</tr>
<tr>
<td></td>
<td>• Information technology evolution program outlining plans for changes in the infrastructure and new support strategy</td>
</tr>
<tr>
<td></td>
<td>• Project and Portfolio Management Center with 32 active projects across the organization to evolve software, hardware, and processes</td>
</tr>
<tr>
<td></td>
<td>• Tools section on intranet with 80 items, including software and programs used by the organization</td>
</tr>
</tbody>
</table>
The researcher was given all learning data for 2017. The data were obtained from the organization’s LMS, which tracks, records, assigns, communicates, and gives employees an opportunity to provide feedback about their learning experience. On average, an employee had completed 51 courses and workshops—equivalent to about four or five courses per year. The length of course varied from 5 minutes to 8 hours. The researcher did not have complete data on the hours and could not determine the average amount of time spent in formal training.

Observation Findings

The researcher reviewed notes from the field observations, which were completed in three sessions of 2 hours each. This section presents findings from the observations in narrative form based on subsystem.

Learning

When the researcher walked around the building, she noted posters that seemed to relate to different corporate business initiatives as well as training support. TV monitors around the building mentioned upcoming training opportunities, and classrooms were available for soft skills and technical training. In addition, the researcher sat down with an employee who was able to walk the researcher through her curriculum in the LMS. The researcher noted 1000+ training materials available for this one employee. It was also noted that every employee had access to learning and development training, which was a training group from the human resources department, in addition to whatever training was required from his or her own department. As also noted in the interviews,
every department had its own training loaded into the system. Thus, the organization had both corporate training requirements and departmental training requirements.

**Organization**

The organization’s mission and vision appeared on numerous posters and banners throughout the building. In addition, 13 areas within the headquarters had posters listing the organization’s three guiding principles. Numerous areas throughout the building displayed the organization’s accomplishments and awards, including the main entrance as well as a large cafeteria space that could be viewed from three different floors. The organization positioned the banners effectively so that employees and visitors were able to view the banners. Several TV monitors throughout the organization highlighted employee awards and recognition. The message of being a learning organization was not observed.

**People**

The researcher observed employees in one-on-one meetings, conference rooms, and working in their cubicles and offices. Every employee wore a badge, making it easy to tell who was an employee and who was a vendor. The information technology (IT) department had a delegation of six well-dressed people enter a large conference room near the president’s office. Many conference rooms had glass windows, which created an open environment. Vice presidents and above had offices, while managers had cubicles. This arrangement allowed for interaction with employees. In addition, the headquarters building had lots of space for individuals to take their computer and work away from
their desks or to brainstorm outside of their cubicles or formal conference rooms. The researcher observed a large cafeteria area where employees sat with iPads and notebooks.

**Knowledge**

The researcher observed a help desk professional assist employees via phone. The IT department had a large database that captured knowledge management and just-in-time training resources. In addition, the researcher walked over to the department that supports branches when they have technical issues. While a technical support specialist answered calls, he also accessed some type of knowledge management system to troubleshoot the issue. When there was a question that he could not resolve, he instant messaged another employee who was a subject matter expert in the field. When there was a very complicated issue that the subject matter expert could not assist with, he contacted another department, which was referred to as the “back office.” For an outsider, the approach seemed to involve a lot of steps, departments, and parties, including a credit card vendor company. Nevertheless, the employees did not skip a beat; clear processes were mapped out on how to troubleshoot, and individuals worked together as a team to resolve the issue. Also, the department had a clear understanding on when to escalate an issue, as well as knowing whom to escalate the issue to. The organization utilized SharePoint for departmental best practices and used an LMS to document company-wide processes and knowledge and store learning.

The researcher had an opportunity to call into a monthly meeting of a community of practice for project management. It was noted throughout the interviews and focus groups that this type of meeting was very useful and effective in bringing the organization together and allowed departments to share knowledge and move forward
together in achieving the organization’s vision. The main event was at headquarters but a video conference was set up with two other locations where project managers were present. The meeting had a guest speaker from the project management office in Alexandria. The presentation was on the agile strategy and how it was being used within the organization. The speaker mentioned that the organization received one of the awards a few years back from the Project Management Institute. After the presentation, attendees had three questions. The moderator for the event was a manager in the IT department. The researcher was able to take note of employees sharing different projects and discussing best practices and current practices, as well as lessons learned about the agile strategy.

**Technology**

The organization has extensive computer-based as well as instructor-led learning. The organization recognized that because of its regional dispersion, self-paced learning was much needed. The LMS housed 100% self-paced curricula for roles located outside of headquarters. This system was explored in detail: it was easy to navigate and housed curricula, learning materials, evaluation surveys for learners, and widgets such as required new training by role and recommended training by role. The system housed learning for both new and existing employees. Words such as “continued development” and “personal development” were noted in the LMS. Computer-assisted learning programs and electronic job aids were readily available. Learning facilities had multimedia support such as video conferencing and computers to connect with employees.
The researcher also explored SharePoint, which had sites for each team and department to manage group initiatives and project management. The researcher searched for meeting notes, but some sites were restricted and could not be assessed. The researcher observed a meeting where the learning community discussed the current LMS. It was noted that it is a good software to collect, store, create, and transfer training.

**Interview Findings: Learning Subsystem**

The researcher completed 10 one-hour interviews with the executives. Drawing on the data from the interviews, this section outlines three themes found under the learning subsystem: (1) employees were required to engage in meaningful learning activities; (2) employees were encouraged to learn from one another and across departments; and (3) personal development plans were based on competencies that guided individual learning.

**Employees Were Required to Engage in Meaningful Learning Activities**

Due to the nature of the financial industry, the executives indicated that they had to stay abreast of regulations. There was a new product, process, or software almost weekly. They indicated that they might not know all the ins and outs of the software or a product, but they had to have a working knowledge of all regulations and the impact to the customer. They also outlined the process for how they ensured that their employees had enough training hours weekly to learn about the new changes and implementations. Hours were built into employees’ schedule to complete training. In addition, participants indicated that they expected their subordinates to complete training weekly outside of the
regulatory requirements. Employees were encouraged to learn and grow as professionals.

One participant stated:

I emphasize coaching and development. I lay out expectations to my leaders regularly. I expect every team member has at least a minimum of one employee development session per quarter. In addition, I expect that each employee regardless of position complete at least 1 hour of training per week, at a minimum. I also review this expectation. When I meet with my leaders during one-on-one meetings, I always want to review their documentation. I am also asking the questions of employees. I review the coaching notes. Are managers just putting pen to paper? Or are they actually helpful to people? I am looking at the forms. Do the forms make sense? I want to make sure that we make adjustments if necessary and are not doing the same old the same old for the sake of getting it done. I also encourage my teams to get engaged in learning by completing online courses, sign up for instructor-led training, or just read a book. It’s their time. At least 1 hour a week is a minimum requirement.

Seven executives mentioned that they had some sort of requirement or expectation related to learning. In addition, several interviewees mentioned that they rose through the ranks from entry-level positions. This organization invested in and developed individuals if they had a passion for learning and loyalty to the organization. One interviewee stated:

We are a large organization. What I tell my people is that they need to be doing what they love. If there is something that they like doing that is in a different department, they are encouraged to tell me and we will figure out a way to give them a chance to try it out. No one is married to their job for years unless, of course, they love it. We do have folks that want to do the same job for years and are happy doing so, which is perfectly fine. However, a lot of folks in this company rotate and explore something new. We have analysts today who go into the business operations side. We have trainers who are tired of writing training programs, go on becoming credit card counselors or get out into the community and do marketing. We are very unique in that this organization supports learning so much. I am the product of this. I was able to achieve what I have because this organization invests in its people. I am a living and breathing example of how much this organization cares about learning.

The findings indicated that learning was recognized to be of high importance in the organization, from the standpoint of both regulations and professional growth.
Employees Were Encouraged to Learn from One Another and Across Departments

All participants spoke of informal training or something a person would like to engage in on their own. One of the participants above mentioned that the organization supported individual development and that the organization required employees to complete “development plans” with their supervisor. The organization also had several programs in place that focused on job shadowing, mentoring, and professional growth. The organization had several communication clubs where employees could engage in learning how to be better communicators. Three participants mentioned “communities of practice” and how many job families had them. For example, the organization had communities of practice for project managers, business analysts, and education:

I think that this is a very unique program. Many organizations might also have communities of practice, but here they really serve a unique purpose in that it really brings all employees from different departments together. This is an opportunity to learn from another department or to pose a question or concern to a group and get second opinions how to tackle a problem or concern. It gives a person an opportunity to interact with professionals from other departments, which is so beneficial. In the past, we have been very siloed, and it stalled our learning. Now we truly feel as we are a part of this one big family and there is no competition between departments, but rather very collaborative environment.

The participants commented on job rotation, job shadowing programs, and switching executives between departments. One participant stated: “The organization leadership believes that if you are a great leader, it does not matter whether you are in lending or marketing. If you can lead people, you can lead them anywhere.” The participant explained that executive leaders rotated departments every year. He provided many examples where executive leadership was switched. Some participants who mentioned this phenomenon believed that it was a great thing, as the leader was exposed to the whole organization rather than being “stuck” leading the same department for
years. This also provided executive leadership an opportunity for ongoing learning of operations across the whole organization.

The organization had the same philosophy about other positions across the organization and encouraged individuals to seek out job rotation opportunities. No formal job rotation program was in place, but the participant stated that “our leadership is very passionate about having employees do the job that they love.”

**Personal Development Plans Were Based on Competencies That Guided Individual Learning**

The word *competencies* came up in interviews 27 times. The executives echoed that the competencies project was a very big initiative that was directed by the chief executive officer. The highest leadership definitely recognized that learning was important and understood the importance of determining which skill sets were needed to perform in each position. It was clear from the data that participants felt the organization did well with learning. The organization’s learning department created competencies for every job position and mapped every single learning opportunity available in house to competencies. As mentioned previously, training departments were located throughout the organization, but the learning department housed in human resources handled corporate-wide training for leadership and employees. This department also built a career finder interactive application, which could be used both ways: either for development within a current role or development for a future desired role. This application was used throughout the organization; the role of this application was mentioned in every professional development conversation. One executive stated:

We are a lot smarter about it now. In the past we would have all these learning
opportunities just out there in the learning management system without rhyme or reason. Now there is definitely a reason to the madness which starts with job descriptions, competencies, and linking those to learning. We built [product name], which is like a taxonomy by skill set, job position, and role.

Five interview participants specifically mentioned personal development plans and how they were a requirement for the organization. They also shared that they expected their leaders to follow through with having an individual development plan for each of their subordinates. “Learning is not a forced event, but a continued process.” The participant explained that “competencies help managers have the conversation with their subordinates—areas of weakness and areas of strength. It is not a performance review, but a conversation about employees’ passion.”

**Interview Findings: Organization Subsystem**

Drawing on the data from the interviews, this section outlines themes found under the category of the organization subsystem: (1) the organization had a shared vision of learning; (2) learning was a strategic objective; and (3) the learning governance was not centralized.

**The Organization Had a Shared Vision of Learning**

During their interviews, executives from different departments across the organization all commented on a high desire for learning and the importance of learning for their subordinates. However, two items stood out: “learning organization” was not part of their vocabulary, and departmental collaboration was a huge effort that still required some work. Only two participants indicated their familiarity with the term *learning organization*; thus, it seemed that becoming a learning organization was not something that the organization specifically aspired to. However, when the researcher
proceeded with questions, the participants indicated characteristics of a learning
organization in many different ways throughout the organization. The researcher noted
that since most participants were from the business side, it is possible that they were not
as familiar with the language used in the learning arena.

The second item noted was cross-departmental collaboration. The participants
noted that they actively tracked cross-departmental collaboration efforts and had a
directive from the highest levels of leadership to engage in cross-departmental activities
and to break down silos. The way the organizational structure was set up, those who
worked with customers did not own any of the products or services, but they had to be
trained and educated on all of them. One of the participants stated: “The leadership must
collaborate organically, as one department cannot achieve any of the organizational goals
on its own.” This speaks to the structure of the organization, how it was not an “us vs.
them” mentality, but a true team.

Learning Was a Strategic Objective

All interviewees mentioned the importance of learning in their departments. Some
were more versed than others on what was considered learning and what opportunities
were available. One executive summarized the learning culture:

What really stands out in my mind is the fact that we have a learning strategy. We
do try to throw things on the wall and see what sticks sometimes. However, when
it comes to e-learning, our highest level of leadership makes it a point to reinforce
the fact that learning is a strategic objective. Sure, our employees are encouraged
to participate in online programs, webinars, and in most cases, take advantage of a
tuition assistance program. We have different business groups providing learning
opportunities on technical training or, like we like to call it, “skills” training. We
have a roadmap that shows how learning aligns to organizational goals. Individual
learning goals contribute and, some might argue, execute organizational
objectives. L&D [learning and development] is responsible for strategizing and
implementing our learning strategy.
However, some executives were not as clear on who developed the learning strategy. All executives knew that learning was important and demonstrated that in their interview responses by noting that learning was one of the organization’s strategic objectives. Several respondents indicated that an organization-wide strategy did exist and that buy-in and understanding from all departments was needed.

**The Learning Governance Was Not Centralized**

The organization had processes and policies in place that displayed centralization; however, there was no chief operating officer position, and training departments were dispersed throughout the organization. Even though the learning was not centralized, the organization used a variety of methods to centralize decision making around learning expectations. All executives at the organization met quarterly to determine learning priorities. The chief executive officer weighed in on his priorities as well at this meeting. The executive suite determined that three trainings were required for leadership. This meant that all leaders were receiving some level of leadership training consistently.

Another participant provided an explanation about the current structure of the organization: “The learning side is embedded within the business. This makes training assessable and relevant.” The organization was trying to keep learning within the business units, but at the same time trying to have a central governance. The central governance was mediated by the executive from human resources, but all executives from all departments came together to guide learning.
Interview Findings: People Subsystem

Under the category of the people subsystem, there were three findings from the interviews: (1) strong partnerships existed with vendors and regulators; (2) the leadership empowered employees to make decisions; and (3) the organization had a skilled and confident workforce.

Strong Partnerships Existed with Vendors and Regulators

In terms of the knowledge subsystem, participants indicated many agents that contributed to innovation and learning. One participant stated:

We are trying to immerse ourselves into the environment to create more synergy and interact beyond our walls. People are extremely hungry. Consumer Financial Protection Bureau is a big regulator that every leader has come in contact with because they investigate all kind of products and processes and essentially they provide a baseline that must be set for us operationally. We made adjustments that are necessary. However, we always look ahead and expand beyond the regulation, but also provide enhancements when possible. All in all, I don’t think the leadership is, for the lack of a better word, is scared of compliance; instead, we want to ensure we are constantly doing the right thing and, if we are not, we want to fix it. It is definitely the driver of change for us.

Another participant shared how his department partnered with vendors to generate knowledge:

There are many ways in which we engage with vendors. First, we use vendors when we are strapped for time, or the vendor can offer something different than we can. For example, we have partnered with [name omitted] organization who base their learning on science. They are very big into micro-learning, cognitive boosts, learning based on science. We are not as advanced with this type of learning, so we need them right now to help us with this. In 5 years, we will probably not need them and be able to create this learning in house.
The Leadership Empowered Employees to Make Decisions

The importance of decision making and critical thinking was echoed throughout the interviews. The executives emphasized the importance of decision making by explaining that it was a relatively new initiative. One of the executives over the lending department stated:

Decision making, along with critical thinking skills, has a lot of focus right now. We typically were very focused on technical training: How do you originate loan? How do you enter a loan application? How do you review the application? We improved our systems to catch any red flags. Now, we are asking ourselves: How do we train our people to make sound decisions? How do we know they are learning how to make decisions? Do we have proper metrics in place to reward critical thinking?

Another executive summarized the evolution of empowerment:

Empowerment is one of our strategic objectives. We want our people to make decisions. We do not want them to be scared to make a mistake. But where do you draw the line? We are a financial institution, and we have a responsibility to our [customers]. Most of the mistakes are reversible. . . . We want to be efficient. We don’t want our people to ask their leader every time the [customer] makes a request. . . . I implemented several policies over the last 2 years to empower employees to make decisions, but as an organization, we still have a long way to go.

The Organization Had a Skilled and Confident Workforce

The executives praised everyone who worked at the organization. During the interviews, executives showed a great amount of respect when speaking about their staff.

One participant stated:

People is what makes this organization special. Our employees is the biggest asset that we have. It’s a blessing to work with staff who are knowledgeable and confident, . . . true experts. . . . It is invaluable . . . and due to our hiring strategies and ongoing development efforts, I strongly believe this sets us apart from our competitors.
Interview Findings: Knowledge Subsystem

Two findings were found related to the category of the knowledge subsystem from the interview data: (1) knowledge was transferred between departments; and (2) the organization was not the most innovative, but a close follower.

Knowledge Was Transferred Between Departments

The interviewees reported that collaboration between departments was encouraged. One participant stated, “We try to collaborate with other departments that might be involved in the same project. We do not want to recreate the wheel. We want to repurpose and use training materials for different target audiences.” Nine out of 10 executives reported that collaborative initiatives were much more effective than they were in the past. The communication between departments was mostly governed by the project management portfolio, which guided the strategic initiatives and projects in the organization. A group of leaders at the vice president level and above were part of the project management office, which voted on priorities of the organization. The members of this group also communicated and disseminated information to their subordinates. One participant stated, “The project management office aligns and engages the correct departments with driving information technology projects through consistent and effective delivery.”

The Organization Was Not the Most Innovative, But a Close Follower

Throughout the interviews, the most common phrase that was used was “we are not the most innovative.” One of the executives stated, “We do not have a goal to be the most innovative organization, but I would say . . . a close follower. We are for sure a
close follower. We learn from others’ mistakes!” Even though innovation was not something “innate to the financial industry,” an executive explained that “environmental factors such as other banks and big data companies are pushing us to innovate.” He continued:

Innovation is definitely the term we started to use more frequently in the last several years. With the rise of digital banking and big data companies, we have to move more quickly. We typically have to wait until we are 100% sure because of the nature of our business, . . . but we are trying to pull the trigger a lot sooner. Of course, we want to be in compliance at all times, but do we really need to meet and discuss every possible thing that could go wrong? And, within several departments, we have people dedicated to process improvement. Process improvement was a big thing about 4 years ago. Innovation is the new big thing that will keep us looking for new opportunities and in the banking industry in general.

Another executive stated, “We innovate when something breaks. I know this sounds bad, but that’s the truth.” The idea was that changes were made when they were necessary. One executive stated, “Even though change is a natural part of life, it is not natural for humans to be accepting of it.” The participants explained and provided rationale in support of lack of innovation. The participants also demonstrated that they were proud of “being a close follower” by saying:

[Organization’s name] is not cutting edge leader, but a fast follower. We are sort of middle of the road. Our main focus is on customer service, and we cannot fail the customer. Other IT companies can fail some. We are a threat in the environment, but we do not have to be the most innovative.

The executives from the learning side took the opportunity to share how they felt the organization innovated in the learning arena. They indicated that the organization innovated in several different instances: when “employees provide feedback on every course and curriculum as a whole, which signals when we have to improve something”; when gaining information from “industry standards, conferences, from attending
workshops and we try to do something new and exciting at least once in a while”; and when “the data tells us we need to change something because it is no longer meeting a business need.”

Interview Findings: Technology Subsystem

Two findings were found related to the category of the knowledge subsystem from the interview data: (1) the learning platform and experience were centralized; and (2) a variety of computer-assisted learning programs were used to share and store learning and documents.

The Learning Platform and Experience Were Centralized

The executives collectively expressed how pleased they were with the LMS. Every department utilized the same learning portal, which allowed employees to complete self-paced training, as well as sign up for workshops that were instructor-led. All interviewees indicated using technology to transfer, store, and track learning. One interviewee summarized the extent to which the LMS was used by departments and how it functioned:

An LMS delivers and manages all content and knowledge that is expected of all positions at [organization name]. It handles employee registration, online course administration, tracking, and assesses employee knowledge and skill through scenario-based assessments. Our LMS also houses curricula for all roles, and certainly for customer-facing positions. Our learning system assists us with compliance training and regulations to ensure employees complete all required training since we are regulated industry. However, our system goes well beyond just the basic requirement tracking. As I mentioned earlier, it encompasses competency management, skills-gap analysis, and competency-based learning and development. We are starting to get into succession planning and trying to figure out how we could elicit and engage in meaningful 360-[degree] assessments.
A Variety of Computer-Assisted Learning Programs Were Used to Share and Store Learning and Documents

When asked how technology was used to manage knowledge, one of the participants responded, “We are big on collaboration tools, intranet, SharePoint, [internal] social program, online classroom, and opportunity to connect with other employees via LMS and intranet.” Primarily the organization utilized technology to share and store learning opportunities and documents. However, technology capabilities seemed to be limited to compliance issues: “Our environment is very restricted. . . . When you deal with customer information and money, things tend to get very restricted.”

Focus Group Findings: Learning Subsystem

The researcher completed two 1-hour focus groups, one with four participants and one with six participants. Two findings emerged from the focus group data related to the category of the learning subsystem: (1) employees were required to engage in meaningful learning activities; and (2) employees were encouraged to learn from one another and across departments.

Employees Were Required to Engage in Meaningful Learning Activities

Participants listed many learning activities that they completed weekly, which were both informal and formal. The organization had a formal learning curriculum. The training department housed in the human resources division was responsible for training all employees at the base level. Each department also had a training unit that provided more targeted training for that specific audience, including targeted subject matter expertise. One of the training managers stated:
My leadership supports my learning. I am able to attend a conference once a year, enroll in professional development workshops outside of [organization’s name], as well as utilize in-house services. We have a lot of resources and learning opportunities throughout the organization. I also encourage my staff to take advantage of the services. [Organization] also offers, I believe, up to $5,000 per year per employee to pursue a degree or some coursework at a university. That is a great perk! I also have a set dollar amount each year per employee that I can use to have a team workshop or use that money for targeted development to support my staff in their current role.

The managers voiced opportunities similar to those discussed by the executives. The managers confirmed that they were encouraged to focus on their own development, as well as encourage their employees. The employees could pursue internal and external learning opportunities.

**Employees Were Encouraged to Learn from One Another and Across Departments**

Managers explained how departments worked together to resolve a customer issue or implement a new product. One participant stated:

Savings department might own a product such as a savings account, but so much goes into a new product release or an upgrade. You have to think about communication, internal and external, change management, giving resources to our business partners who interact with customers directly, have to work with [third-party vendor] to ensure they can support this change. And of course the timelines have to line up and having everyone on the same page. So we constantly have to work together as a team.

The focus group participants indicated that many organization-wide meetings were in place that served as an opportunity for the organization to collaborate and share out initiatives.

In addition, there was a formal job shadowing program that encouraged even the lowest-level employees to seek out opportunities in the call center or branch offices. Where and when applicable, field employees could go back and forth between headquarters and the field. One focus group participant stated:
I have worked in four different states in my 20-year career. I have worked at headquarters for 4 years now and here to stay, but I have also worked at headquarters in 2003. My family moved and the organization is extremely supportive and accommodating employees when personal circumstances arise. I do believe that the organization will go an extra mile not to lose a valuable employee, which at times provides many learning opportunities.

Focus Group Findings: Organization Subsystem

Two findings emerged from the focus group data related to the organization subsystem: (1) informal networks of communication existed; and (2) subordinates understood how their work connected to the strategic objectives.

Informal Networks of Communication Existed

When asked to explain how they ensured everyone was on the same page, one of the managers answered, “We are constantly talking.” This implied informal channels of communication. “When we attend meetings, it’s not the first time we meet each other. Discussions and brainstorming, collaboration . . . all happens in between meetings, on the go, informal drive-bys.” Another manager elaborated:

I would say that very little gets done in the large meetings. Those are just a formality as the decision was already made. Being a good manager means to be a team player and read between the lines . . . so to speak, . . . understand where the organization is going. It’s very easy to have your own agenda, but you will not make it in this organization if you care only about your own agenda. We are small enough and know who the ace of the bases are, and who gets the job done.

Managers indicated that they met outside of formal meetings, and a lot of discussions and decisions were being made all the time. Ultimately, the objectives and changes were driven by the higher leadership, and managers were there to execute the initiatives. Another participant expressed her approach to handling communication with others:
A good manager should enter any conversation with a flexible, open mind. Be open to understanding the other person’s point of view, rather than simply getting their message across. Dialogue is a two-way street; even with people with whom you disagree, you will be able to have more honest, productive conversations. There is not a place for ambiguity and indecisiveness. As a financial organization, we owe it to our customers to always be in compliance, and have to move forward in support of ever-changing industry.

Subordinates Understood How Their Work Connected to the Strategic Objectives

When asked about processes or tools that enhance communication in the organization, focus group participants praised the upper leadership for taking the time to communicate via videos, video blogs, newsletters, recognition emails, and all-hands meetings. In addition, the organization created a communications team which reported monthly on the organization’s news and activities and important projects that were happening in the organization. The corporate communication team collected all articles in which the organization was mentioned in order to inform all employees. One manager stated:

Communication is something that this organization cares deeply about. Every year there is an engagement survey that is conducted by a third-party company. At least 20% of this survey is about communication and how employees feel the organization is doing.

Table 4.5 outlines tools that participants mentioned in the focus group that enhance communication across the organization.

<table>
<thead>
<tr>
<th>Level</th>
<th>Techniques/tools used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization</td>
<td>• Communications team creates a video of monthly happenings and important reminders</td>
</tr>
<tr>
<td></td>
<td>• Corporate communication creates daily summaries of relevant news about the organization</td>
</tr>
<tr>
<td>Department</td>
<td>• Video blogs and videos from executives highlight current initiatives and projects</td>
</tr>
<tr>
<td>Group</td>
<td>• There are required team meetings and one-on-one meetings</td>
</tr>
</tbody>
</table>
Focus Group Findings: People Subsystem

Three findings emerged from the focus group data related to the people subsystem: (1) mentoring and coaching activities took place between managers and employees; (2) the organization had a formal mentoring program; and (3) competency-based employee development tools were used.

Mentoring and Coaching Activities Took Place Between Managers and Employees

The managers explained that they were required to engage with their employees and mentor them on a regular basis. One manager stated:

I have a team of 40 employees and three supervisors. My supervisors are required to meet with their teams and offer individualized mentoring. We also have “skip level” meetings, and I meet with each employee at least once a year. I also engage them in conversations about their skills and if there is anything I can do to help them grow in their current roles. Often our conversation leads to discussing their career goals, and I am happy to get them in touch with someone else in the organization who might be a good contact to support their long-term objectives.

Managers in both focus groups expressed the importance of mentoring, including informal mentoring by tenured employees.

The Organization Had a Formal Mentoring Program

The participants outlined many opportunities available throughout the organization. There was a formal mentoring program that employees could participate in. This program was available to all employees, as it was driven by the learning and development branch situated in human resources. As came out in other discussions, the human resources branch provided opportunities for all employees and leaders. In addition, other departments had specialized mentoring programs to support employees in their current roles. The mentoring programs/opportunities in this organization had two
purposes: (1) skill development in the current role and (2) career development and exploration of opportunities for future development outside of the current role.

Managers also mentioned formal programs for current leaders. First, an executive development program was open to any leader who had outstanding performance, met selection criteria, and was endorsed by the higher executive leadership. Next, participants described two programs for mid-management. First, “they recently launched a networking-type program where leaders can network outside of their department. This really helps to network for future opportunities, but also learn about business in other departments within the organization.” The second program for managers was very structured and had a number of activities such as a book club, monthly panel with executives, and lunch with executives. One participant stated, “This is something any leader can participate in, and it is open to the public as long as you are in a current leadership role.”

**Competency-Based Employee Development Tools Were Used**

The participants explained that competencies were used to guide their team’s development. The leadership recognized the importance of employee development and supported universal tools generated by the human resources learning department for all employees. Since each position had a unique set of competencies, “it was an easy conversation with employees. It was facts-based. Let’s look at the skills, your performance, and training available to support the competency an employee was lacking in.” The managers also mentioned the career finder interactive application and other tools that were available to managers. Based on feedback from the managers, the organization
had invested resources into creating competency-driven development and resources to support managers as they led their teams.

Focus Group Findings: Knowledge Subsystem

Three findings emerged from the focus group data related to the category of the knowledge subsystem: (1) knowledge was transferred between departments; (2) knowledge was acquired from vendors and regulators; and (3) knowledge was acquired from customers.

Knowledge Was Transferred Between Departments

The managers reported that they felt that the organization did a good job documenting knowledge, lessons learned, and best practices. The managers also shared that several processes were in place to help the organization share knowledge between departments. One participant stated:

I always make sure that my employees’ knowledge and skills are passed on to others. I also need to think about turnover and document processes all the time. The knowledge is passed through meetings, training courses, and documentation, which is stored on the shared drive and Share Point.

Knowledge Was Acquired from Vendors and Regulators

The organization demonstrated strong working relationships with vendors and regulators. Even though the interaction with regulators was “often unpleasant and usually accompanied with fines, it is still necessary and how the organization ensures they are in compliance.” The participants also shared their experience with working with vendors. One stated:
Vendors allow us to dive into an extensive pool of external knowledge by understanding how we can improve and implement industry’s best practices. [Organization’s name] does a great job in gathering, sharing, and implementing this type of knowledge from the vendors, and it is central to our success. We partner with vendors in the IT arena to deliver the latest banking technology and digital services.

Another underlying idea that was shared when discussing vendors was not contracting with vendors to perform the tasks, but partnering with vendors to develop an initial approach or strategy. As an example, the manager of the training division stated:

We started working with [name omitted] to develop the training strategy. They explain how to create a blended curriculum. The initial meeting [was] about 5 years ago, and we spent another year meeting with the vendor and conducting KPAs [knowledge, skills, and abilities] analysis. They helped us build curriculum maps and really a roadmap which identified all of the learning that we have today.

Another participant explained:

We have partnered with a vendor to help us build out the digital strategy. We have great skills internally, but sometimes vendors are just easier to work with because they are specialists in this particular thing that we need. They work day in and day out with our competitors.

The participants demonstrated that knowledge was acquired from vendors and regulators.

**Knowledge Was Acquired from Customers**

One manager indicated that when trying to innovate, the first place the organization looked to was the customer: “We are always innovating with our customer in mind. The organization stays on top of the current market trends and research. However, when it comes to learning what the organization needs, it derives its ideas from the customers.”

The manager of the analytics team said, “We have a wealth of information about our customers, which is invaluable both in developing new products or services and
improving existing ones.” The organization spent a lot of resources on acquiring knowledge by studying its customers directly, such as their spending patterns, desires, and product usage from the credit union and its competitors.

Focus Group Findings: Technology Subsystem

Three findings emerged from the focus group data related to the category of the technology subsystem: (1) the learning platform and experience were centralized; (2) employees had the tools to do their jobs well; and (3) the organization had a strong infrastructure that was evolving.

The Learning Platform and Experience Were Centralized

The participants expressed how useful the organization’s LMS was. They noted the benefits of using a centralized learning portal. The manager from HR stated, “We are constantly rolling out new functionality. Recently, we added new reporting functionality so supervisors can easily have access to the data they need.” Another participant said, “We are really lucky to have so much training available to us for free. We are now getting into customizing the home page for different learners. Our LMS does not have AI [artificial intelligence] capability [laughs], but we are feeding it different preferences on the back end. Maybe someday.”

Employees Had the Tools to Do Their Jobs Well

The participants felt confident that they had the tools to do their jobs. Participants expressed, “We are not the most cutting edge when it comes to technology, but we all are extremely technology savvy. My team has the software to compute analysis. . . . We utilize web-based tools for project management. We go beyond Excel and pivot tables.”
The participants indicated that their teams had the technology to manage team processes, project management, and meeting management.

**The Organization Had a Strong Infrastructure That Was Evolving**

The participants mentioned that the organization was undergoing multiple upgrades. The organization’s intranet, LMS, performance appraisal review system, human resources timekeeping and payroll system, and audio and videoteleconferencing systems were upgraded within the last 3 years. All of these were major upgrades that had a direct impact on employees’ ability to learn and communicate with each other. In addition, infrastructure changes were noted that directly impacted the business side. One participant stated:

> We implemented new teller system, instant debit card issuance, automatic teller, new payment processing software, and have weekly releases for mobile banking. . . . That’s all that comes to mind at the moment. We have a big infrastructure project underway right now that will integrate teller, call center, and digital channels, creating a better experience for our customers.

**Integration of Findings**

The researcher integrated all data to present a collective synthesis of the findings based on the data gathered directly related to the research question. The 13 findings emerged from the data, which help understand how the financial institution in the study developed characteristics of the learning organization across the five subsystems defined by Marquardt (2011). As shown in Table 4.6, three of the findings relate to the learning subsystem, three findings relate to the organization subsystem, two findings relate to the people subsystem, three findings relate to the knowledge subsystem, and two findings
relate to the technology subsystem. The findings present behavioral data related to characteristics of being a learning organization along with the data sources.

Table 4.6
Summary of Findings and Supporting Data Sources

<table>
<thead>
<tr>
<th>Findings</th>
<th>Data source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Survey</td>
</tr>
<tr>
<td><strong>Learning</strong></td>
<td></td>
</tr>
<tr>
<td>1. Learning occurred at three distinct levels: individual, group, and organizational.</td>
<td>X  X</td>
</tr>
<tr>
<td>2. Employees owned the learning and development and engaged in meaningful learning activities.</td>
<td>X  X</td>
</tr>
<tr>
<td>3. Employees were encouraged to collaborate across departments.</td>
<td>X  X</td>
</tr>
<tr>
<td><strong>Organization</strong></td>
<td></td>
</tr>
<tr>
<td>4. Learning was a strategic objective.</td>
<td>X  X</td>
</tr>
<tr>
<td>5. The organization had multiple levels of management.</td>
<td>X  X</td>
</tr>
<tr>
<td>6. The organizational culture was open to learning, collaboration, and continuous improvement.</td>
<td>X  X</td>
</tr>
<tr>
<td><strong>People</strong></td>
<td></td>
</tr>
<tr>
<td>7. The organization learned about itself from internal and external parties.</td>
<td>X  X</td>
</tr>
<tr>
<td>8. The organization had a skilled and confident workforce who participated in corporate learning programs (e.g., job rotations, job shadow, and mentoring programs).</td>
<td>X  X</td>
</tr>
<tr>
<td><strong>Knowledge</strong></td>
<td></td>
</tr>
<tr>
<td>9. Knowledge was acquired, stored, transferred, and applied by all agents across the organization.</td>
<td>X  X</td>
</tr>
<tr>
<td>10. Knowledge was acquired from employees, customers, business partners, vendors, and compliance and regulatory entities.</td>
<td>X  X</td>
</tr>
<tr>
<td>11. The organization used a knowledge management strategy and mechanisms for sharing information.</td>
<td>X  X</td>
</tr>
<tr>
<td><strong>Technology</strong></td>
<td></td>
</tr>
<tr>
<td>12. Technology was used to manage knowledge.</td>
<td>X  X</td>
</tr>
<tr>
<td>13. Technology was used to increase the speed and quality of learning by increasing learning capability.</td>
<td>X  X</td>
</tr>
</tbody>
</table>
Chapter Summary

This chapter summarized data collected from five sources: survey, document review, observation, interviews, and focus groups. Eight interview questions were presented to 10 interview subjects. Eight focus group questions were presented to 10 focus group subjects in two focus groups. The survey, document review, observations, interviews, and focus groups produced 13 findings. The conclusions and recommendations based on these findings are presented in chapter 5.
CHAPTER 5:
CONCLUSIONS AND DISCUSSION

The purpose of this qualitative, single-case, descriptive study was to understand how a large financial institution seeks to become a learning organization. To fulfill the purpose of this study, the following research question was addressed: How is a major financial institution becoming a learning organization across five subsystems as defined by Marquardt’s (2011) Systems Learning Organization Model? This chapter begins with a summary of the findings presented in chapter 4, followed by the researcher’s study conclusions. The chapter concludes with implications for theory, recommendations for practice, and recommendations for further research.

Summary of Evidence Gathered

The organization chosen for this study was a nonprofit credit union that has been in existence for over 50 years. The credit union serves a specific membership and is a full financial operation, meaning that it has branches, mobile and online banking, and dozens of products and services. The organization expanded its operation in 2009 by increasing membership, adding additional positions to support its growth, and introducing new products and services. The organization demonstrated several parameters indicative of a learning organization and provided a good context for the researcher to explore the research question. In order to answer the research question, five data sources were used: survey, document review, observation, interviews, and focus groups. Thirteen key findings emerged from this descriptive case study, as outlined in Table 4.6.
Conclusions

Five conclusions were derived from a careful analysis of the data and findings presented in chapter 4. The single case study methodology brings with it several limitations, particularly a lack of generalizability. The researcher was limited to the documentation and artifacts available within the organization at the time of the research. The findings stemming from interviews and focus groups were dependent on participants’ memory and perception. Despite these limitations, this study makes a significant contribution by beginning to fill the gaps in the literature regarding how a financial organization demonstrates characteristics of being a learning organization across five subsystems.

Conclusion 1

In a highly regulated financial institution, employees engaged in learning activities beyond the compliance and job-required training.

This conclusion was derived from Findings 1, 2, 3, 6, and 8. Based on the data and findings, the financial organization demonstrated learning organization characteristics across all five subsystems presented in the Systems Learning Organization Model (Marquardt, 2011). The learning subsystem is one of the key subsystems in the model, impacting and interconnecting with the other four subsystems. Even though the organization was highly regulated and focused on formal training, employees were engaged in learning activities beyond the required training. The organization demonstrated commitment to continuous learning and employee development. It used competencies and guided employees’ development in support of their job role and in learning outside of their current positions. Learning was one of the organization’s
strategic objectives. The organization put practices and policies in place to empower employees. In addition, the organization generated knowledge through internal and external partnerships with employees, clients, business partners, suppliers, vendors, and the community. The organization acquired, stored, and transferred knowledge through multiple channels across the organization, emphasizing technology and its role in delivering success. The technology provided a stable infrastructure, delivering, storing, and tracking learning and enhancing communication across the organization. In addition, the results indicated that the organization was improving itself in all facets mentioned and was institutionalizing process improvement departments throughout the organization.

Employees were encouraged to take initiative and participate in learning outside of the classroom and outside of the organization and to connect with the community. In addition, the scope of learning focused not only on employees’ current job function, but on learning at large. This conclusion is supported by Billett (2002), who proposed that organizations need to think about the ways workplaces can contribute to learners’ development in their own terms. Billet suggested that interactions with peers, supervisors, and subordinates in the workplace are important practices. Encouraging learners to take control of their own learning implies a greater commitment and higher degree of ownership of their learning and personal development.

Conclusion 2

Organizational learning capability was increased through implementation of cross-functional programs and encouragement of informal dialogue across departments and multiple levels of management.
Findings 3, 4, 5, 8, and 11 informed this conclusion. Marquardt (2011) stressed the importance of dialogue throughout the learning organization. The findings suggest that ongoing informal and formal dialogue supported the interdependencies of subsystems as well as the development of the learning organization as a whole. The dialogue was found throughout the data within all five subsystems.

The findings are in line with previous research by Nonaka (1991), who noted that relationships and dialogue are encouraged within all subsystems. The data suggest that the encouragement of dialogue was essential for relationship building and was critical to double-loop learning (Argyris & Schön, 1978). Hardy, Lawrence, and Grant (2005) described that collective identity is created and consequently translates into effective collaboration in an interorganizational context. Their study concluded that “participants first need to produce a collective identity through the establishment of both generalized and particularized membership ties” to create collaboration (Hardy et al., 2005, p. 73).

The data also revealed cross-departmental collaboration and implementation of organization-wide projects. Even though learning organizations tend to be flat rather than having multiple levels of management, the study institution was able to implement change quickly due to informal dialogue among multiple levels of management and effective collaboration practices.

Conclusion 3

The leadership encouraged employees to create partnerships within and outside of the organization.

The data and Findings 3, 6, 7, and 10 revealed that executives and managers highlighted the importance of communication and collaboration, both within and outside
of the organization. As Watkins and Marsick (1993) stated, “Inquiry is a dialogue in which people mutually explore ideas, questions, and potential actions” (p. 73). Watkins and Marsick indicated that individuals convert assumptions or localized ideas into shared meanings, which then inform the learning process. Employees reported working on cross-functional projects and made an effort to connect and build relationships with different departments as well as with vendors, the community, and customers. The data showed that learning was available and highly encouraged at all levels: individual, group, and organization. The findings are in line with prior research that learning at all levels serves as a building block for the creation of a learning organization (Herrera, 2007). The study organization aimed to embed the process of learning into its culture, rather than viewing learning as a temporary solution.

The organization had a very strong brand, demonstrated by awards and recognition, and a community presence that was due in part to its encouragement of collaboration with external entities and individuals. The data showed that building partnerships across the organization was encouraged, and participants reported collaborating with everyone from the highest-level leader to an entry-level employee. The participants also reported very frequent collaboration and partnerships with vendors, compliance entities, and the community. The leadership helped to make the culture of this organization open to learning, new ideas, and conversation.

**Conclusion 4**

*The financial organization was driven to innovate by reviewing customer/employee feedback, by monitoring trends outside the organization, and by examining changes mandated by new laws.*
The fourth conclusion was informed by Findings 6, 7, and 10. Viewing learning as an ongoing process and not just a temporary outcome contributes to being a learning organization (Aggestam, 2006; Marquardt, 2011; Nonaka, 2000; Stata, 1989). Marsick and Watkins (1999) stated that “the learning organization begins with a shared vision” (p. 195)—but that is not where the hard work ends. Instead, empowering employees to make decisions is essential in order to “help them set and achieve goals” (p. 215). In addition, the learning organization must continue to learn and change by questioning itself and desiring to do things better.

This financial organization was committed to collecting feedback from employees through engagement surveys and ongoing improvement forums. The leadership demonstrated that they valued employee feedback, as an award system was in place related to suggestions that were implemented company-wide. The organization also used a vendor to implement a customer feedback survey, which enabled the organization to grow and innovate to meet the needs of the customer. The study site had several analytics groups that monitored trends outside of the organization and demonstrated a need to change when new laws and practices were mandated. This organization demonstrated the importance of following guidelines and directions from authority, which relates to the power-coercive strategy defined by Bennis et al. (1961). The employees reported a strong desire to be compliant, stressed the importance of following rules and regulations, and demonstrated awareness of punishment for noncompliance.

In order to keep up with future technological demands, financial organizations have to change their relationships and business practices (Andrews & Wardwell, 2000)—a notion supported by the current study. The regulatory and bureaucratic nature of
financial organizations might cause them to miss the mark in the new era of data science. This study demonstrated the importance of financial organizations becoming open to innovating and keeping up with customers’ demands while still responding to the challenge of maintaining an error-free and risk-adverse environment.

Conclusion 5

*The organization used adaptive computer algorithms to enhance learning and on-the-job performance.*

The last conclusion was based on Findings 1, 12, and 13. Research shows that learning can be attained through three approaches: adaptive, anticipatory, and action learning (Marquardt, 2011). This organization excelled in the adaptive approach. Being a learning organization contributes to innovation and survival (Marquardt, 2011). The study site demonstrated strong performance by having low turnover, high employee morale, numerous awards, and a strong portfolio of assets and revenue. In addition, a time of crisis (Avolio et al., 2004), such as keeping up with changing banking industry trends, motivated the organization to implement best practices in the five subsystems required for survival (Marquardt, 2011).

The organization demonstrated forward thinking by implementing a new learning portal. At the conclusion of this study, the organization was still in the process of completing an enhanced learning portal, where learning recommendations would be adjusted based on the learner’s preferences and prior searches. A computer algorithm would be used to understand the interaction with the learner and deliver customized resources and learning activities to address his or her specific needs. In addition, as indicated by the review of projects and technology portfolio, the organization was
developing and improving the software to make it more intuitive, so that it could adjust its services and questions based on the user. Several projects were under way to make the software more intuitive so that the employee had less to memorize, and this would increase the speed of service as well as quality.

**Implications for Theory**

The current study provides several theoretical implications. It helps fill the gap in the learning organization literature by presenting the perspective of the financial industry and adds to our understanding of how learning organizations exist in a highly regulated industry.

The main implication for theory is the fact that Marquardt’s (2011) Systems Learning Organization Model, while being a practical framework founded on theoretic underpinnings, is applicable to the financial industry. The financial organization displayed many characteristics of the learning organization across all of the subsystems of the learning organization. The researcher was able to fully capture the essence and complexity of the financial industry.

The current literature suggests that institutional theory and structuration theory complement each other when it comes to understanding the process of structuration and the dynamics of organizational change (Jarzabkowski, 2008; Korte, 2012)—which is captured by the organization subsystem in the Systems Learning Organization Model. The current study also suggests that more theoretical attention should be focused on the interaction between the organization and human agency. The study confirms that additional theories are needed to capture the dynamic relationships between individuals.
and the organization. The learning organization is a living and breathing entity with dynamic and complex processes.

Another implication for theory is the importance of adding a form of complexity to learning organization models. Learning organizations have been studied for decades (Argyris & Schön, 1978), but not a lot has emerged in the literature regarding the complexity of such organizations. The new business climate, with uncertain market conditions and increased complexity of managing processes and people within the organization, suggests that learning organization models need to merge with complexity theory. The current study provides evidence of networks and complex processes taking place within the financial organization that should be added to the conversation, including Marquardt’s (2011) Systems Learning Organization Model.

A final implication for theory is the role of innovation within a learning organization. As O’Sullivan (2008) stated:

Innovation is about helping organizations grow. Growth is often measured in terms of turnover and profit, but can also occur in knowledge, in human experience, and in efficiency and quality. Innovation is the process of making changes to something established by introducing something new. (p. 3)

Current literature shows that a learning organization is one of the ways to achieve sustained competitive advantage (Marquardt, 2011; Senge, 1990), and innovation is one of the key mechanisms to deal with constant and unpredictable change (Garvin, Edmondson, & Gino, 2008; Marquardt, 2011). The current study also demonstrated that innovation plays a significant role in change and growth. Thus, further attention is needed in the area of innovation to better capture its role within the construct of the learning organization.
Recommendations for Practice

Based on study findings and the relevant literature, the following recommendations for practice were identified.

1. Executive leaders should use the five subsystems defined by Marquardt’s (2011) Systems Learning Organization Model—learning, organization, people, knowledge and technology—to guide the creation of learning organizations. This study highlighted components of learning organizations that are instrumental in helping an organization become a learning organization.

2. Leaders should empower their subordinates to make decisions. Employees should be able to take action in accordance with the vision of the organization, which will create an alignment between actions and values. The focus in practice should be to align the goals, values, and vision and to empower employees to take action. The organization must have vision and strategic objectives that incorporate learning, but in practice this translates to allowing employees to act in support of the organization’s vision.

3. Employees should engage in learning processes and complete a vast range of opportunities, which will in turn help the organization learn collectively. However, learning is only one part of the puzzle, and organizational leaders must focus not only on the learning subsystem but on the other characteristics of the learning organization, which create interdependencies among learning, technology, people, knowledge, and organization.
4. Organizations should engage in various types of learning. They can exhibit learning organization characteristics without demonstrating action learning. However, the research shows that the action learning process is critical for problem-solving and transformation (Marquardt, 2011). Executives should focus on action learning practices in order to move their organizations ahead rather than “playing catch-up.”

5. Leaders should encourage collaboration and cross-departmental partnerships, which contribute to the creation of shared learning. This practical recommendation is often overlooked, but the study organization demonstrated the value of collaboration and constant dialogue across departments. This recommendation is in line with research by Senge (2006), who believed that if all members of the organization saw the value of the greater whole, then the organization would strive in the right direction rather than getting wrapped up in the minutia of giving individual credit.

6. Leaders should invest resources into technology, people, learning, and knowledge management. Organizations do not need to lead in innovation in order to demonstrate learning organization characteristics, but they must innovate and introduce new things to the organization in terms of products, processes, quality, and efficiencies. This financial organization was driven to innovate by reviewing customer/employee feedback, by monitoring trends outside of the organization, and by examining changes mandated by new laws. The current study demonstrated that an organization must follow industry trends in a timely manner to sustain competitive advantage.
 Organizations should establish a position for a chief learning officer who can build a learning organization (Marquardt, 2011). The literature suggests that this person establishes the vision and develops a strategy to implement it. In addition, one of the most important functions of a chief learning officer is to define, assess, and measure learning and development programs. The chief learning officer creates a culture of learning, where all agents in the organization are responsible for learning.

**Recommendations for Future Research**

This case study provides findings that contribute to our understanding of the learning organization capability within the financial sector. The researcher presents seven recommendations for future research to extend the findings of the current study.

1. Use a mixed-methods approach to examine how organizations display learning organization characteristics across Marquardt’s (2011) model. The Learning Organization Profile was used in the current study, but as an additional method within the case study methodology. The researcher recommends using the Learning Organization Profile to quantitatively assess the organization’s perceptions (López et al., 2005).

2. Address more levels of analysis to determine how individuals perceive the organization’s learning capability. The current study looked at three levels of analysis: executive leaders, mid-managers, and general employees. Crossan et al. (1999) suggested the use of multiple units of analysis, and that approach is especially important for the financial sector, which has a significant amount of levels and bureaucracy.
3. Examine how financial organizations, while demonstrating characteristics of being a learning organization, display power-coercive change management practices due to their highly regulated environment. Under such change management approaches, employees typically suffer from lack of empowerment and decision-making capability in a traditional U.S. work environment (Kumar & Moorthy, 2015). The current study showed ongoing effort from the leadership to empower employees within a contradicting environment and showed the organization’s ability to experiment, use of an unconventional multichannel strategy, and implementation of several new products and processes. Further examination of how change is managed and its influence on organizational learning capability within a low–power-resistant culture would be enlightening.

4. Focus on a specific subsystem of the learning organization. While it is important to look at learning organizations holistically, a focused study would provide an opportunity to understand each of the subsystems in greater depth.

5. Use longitudinal case study methodology to examine the sustainability of learning organizations over time. Few empirical studies have reported on long-lasting learning organizations.

6. Investigate how the learning organization is impacted across different locations within a single organization or across multiple organizations within the same industry. Such studies would provide a greater depth of understanding of the learning organization construct and could uncover factors that contribute to building a learning organization. The current
literature is very limited in looking at the impact of region on the entire entity, as well as in providing multicase studies.

7. Investigate learning organizations in different industries, contexts, and cultures. While the construct has been studied for over 25 years, there is still no definite knowledge or universally accepted “truth” of what makes an organization succeed. In line with many other researchers such as Marsick (2013), Örtenblad (2013), and Watkins and Dirani (2013), the researcher calls for continued research of the learning organization to further develop our understanding of learning and organizational processes that contribute to the creation of a learning organization across different industries, contexts, and cultures.

Concluding Remarks

This case study addressed an important gap in the literature by examining an industry that has not been studied to this depth and scope using Marquardt’s (2011) Systems Learning Organization Model. The descriptive accounts of learning practices and processes in this financial organization extend the conversation of the learning organization. The current findings depict how learning comes to life across five subsystems in a financial organization.

This qualitative, single case study produced several important implications for theory, practice, and research. This research showed the dynamic nature of a learning organization. By studying the processes, policies, and structure of this learning organization, the researcher gained valuable insight into the development of the learning organization. The insights gained by exploring this financial
organization contribute to our collective understanding of the multifaceted nature of the development of learning organizations and the benefits of becoming a learning organization. The researcher hopes this research inspires the creation of more learning organizations.
REFERENCES


APPENDIX A:
LEARNING ORGANIZATION PROFILE QUESTIONNAIRE

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Below is a list of various statements about your organization. Read each statement carefully and decide the extent to which it actually applies to your organization. Use the following scale:

4 = applies totally  
3 = applies to a great extent  
2 = applies to a moderate extent  
1 = applies to little or no extent

In this organization . . . . 

1. We see continuous learning by all employees as a high business priority.  
2. We are encouraged and expected to manage our own learning and development.  
3. People avoid distortion of information and blocking of communication channels through skills such as active listening and effective feedback.  
4. Individuals are trained and coached in learning how to learn.  
5. We use various accelerated learning methodologies (e.g., mindmapping, mnemonics, peripherals, imagery, music, etc.).  
6. People expand knowledge through adaptive, anticipatory and creative learning approaches.  
7. Teams and individuals use the action learning process (that is, learning from careful reflection on the problem or situation, and applying it to future actions).  
8. Teams are encouraged to learn from one another and to share learnings in a variety of ways (e.g., via electronic bulletin boards, printed newsletters, intergroup meetings, etc.).  
9. People are able to think and act with a comprehensive, systems approach.  
10. Teams receive training in how to work and learn in groups.  
11. The importance of being a learning organization is understood throughout the organization.  
12. Top-level management supports the vision of a learning organization.  
13. There is a climate that supports and recognizes the importance of learning.  
14. We are committed to continuous learning for improvement.
15. We learn from failures as well as successes.
16. We reward people and teams for learning and helping others learn.
17. Learning opportunities are incorporated into operations and programs.
18. We design ways to share knowledge and enhance learning throughout the organization (e.g., systematic job rotation across divisions, structured on-the-job learning systems).
19. The organization is streamlined, with few levels of management, to maximize the communication and learning across levels.
20. We coordinate on the basis of tasks and goals rather than maintaining separation in terms of fixed departmental boundaries.
21. We strive to develop an empowered workforce that is able to learn and perform.
22. Authority is decentralized and delegated so as to equal one’s responsibility and learning capability.
23. Managers and non-managers work together in partnership, to learn and solve problems together.
24. Managers take on the roles of coaching, mentoring, and facilitating learning.
25. Managers generate and enhance learning opportunities as well as encourage experimentation and reflection on what was learned so that new knowledge can be used.
26. We actively share information with our customers, to obtain their ideas and inputs in order to learn and improve services/products.
27. We give customers and suppliers opportunities to participate in learning and training activities.
28. Learning from partners (subcontractors, teammates and suppliers) is maximized through upfront planning of resources and strategies devoted to knowledge and skill acquisition.
29. We participate in joint learning events with suppliers, community groups, professional associations, and academic institutions.
30. We actively seek learning partners among customers, vendors and suppliers.
31. People actively seek information that improves the work of the organization.
32. We have accessible systems for collecting internal and external information.
33. People monitor trends outside our organization by looking at what others do (e.g., benchmarking best practices, conferences, and examining published research).
34. People are trained in the skills of creative thinking and experimentation.
35. We often create demonstration projects where new ways of developing a product and/or delivering a service are tested.
36. Systems and structures exist to ensure that important knowledge is coded, stored and made available to those who need and can use it.

37. People are aware of the need to retain important organizational learnings and share such knowledge with others.

38. Cross-functional teams are used to transfer important learning across groups, departments and divisions.

39. We continue to develop new strategies and mechanisms for sharing learning throughout the organization.

40. We support specific areas, units, and projects that generate knowledge by providing people with learning opportunities.

41. Learning is facilitated by effective and efficient computer-based information systems.

42. People have ready access to the information highway (local area networks, internet, on-line, etc.).

43. Learning facilities (e.g., training and conference rooms) incorporate electronic multimedia support and a learning environment based on the powerful integration of art, color, music and visuals.

44. Computer-assisted learning programs and electronic job aids (e.g., just-in-time and flowcharting software) are readily available.

45. We use groupware technology to manage group processes such as project management, team process, and meeting management.

46. We support just-in-time learning, a system that integrates high-technology learning systems, coaching, and actual work on the job into a single, seamless process.

47. Our electronic performance support systems enable us to learn and to perform our work better.

48. We design and tailor our electronic performance support systems to meet our learning needs.

49. People have full access to the data they need to do their jobs effectively.

50. We can adapt software systems to collect, code, store, create and transfer information in ways best suited to meet our needs.
APPENDIX B:

INTERVIEW QUESTIONS WITH EXECUTIVES

Opening: The purpose is to welcome the participant, explain the interview format, and establish rapport and trust (up to 5 minutes). Hello and welcome! (Introduce myself, make small talk with the participant.) May I have your permission to audio record this session so I can capture your exact statements? (Yes/No) I will be sure to keep participants’ and the organization’s identity confidential and use pseudonyms.

Learning
1. How does the organization support learning capabilities across the organization with the intent of providing employees an opportunity for continuous learning?
2. Please share a new policy or practice that has been implemented to ensure ongoing learning in your department.

Organization
3. Could you please talk about how the organization reacts to the environmental factors and how the environment leads the organization to evolve?
4. Please tell me about activities or strategies that you have put in place that enhance communication across the organization.

People
5. Describe a time when you used regulators and vendors to contribute to the organization’s ability to generate knowledge.

Knowledge
6. How do you generate knowledge that contributes to innovation?
7. Please describe how you share knowledge with executives from other departments.

Technology
8. Please describe how technology plays a role in your ability to manage knowledge.

Interview reflection after interview
- What is the most memorable quote that resonated with me?
- What were the most important themes or ideas that were presented?
- Were there any unexpected findings?
- How did these differ from what was expected?
- What should I do differently next time?
APPENDIX C:
FOCUS GROUP QUESTIONS

There will be two focus groups with mid-managers across different departments.

**Opening:** The purpose is to welcome the participant, explain the interview format, and establish rapport and trust (up to 5 minutes). Hello and welcome! (Introduce myself, make small talk with the participants.) May I have your permission to audio record this session so I can capture your exact statements? (Yes/No) I will be sure to keep the participants’ and the organization’s identity confidential and use pseudonyms.

**Focus Group Questions**

**Learning**
1. Share a time when the organization placed an increased emphasis on individual, group, and organizational learning.
2. Could you share some of the current practices of how learning looks for your subordinates?

**Organization**
3. Describe activities and/or actions you’ve observed that have enhanced communication across the organization.

**People**
4. Please share what practices or strategies you currently use in your department for development and sustainment of personnel.

**Knowledge**
5. Based on your experience, how is knowledge generated that contributes to innovation?
6. Please give me a few examples of mechanisms for sharing knowledge across the organization.

**Technology**
7. Please provide an example of infrastructure changes made to support and sustain ongoing learning.
8. How do you use technology to manage knowledge?
APPENDIX D:
INFORMED CONSENT FORMS

THE GEORGE WASHINGTON UNIVERSITY
WASHINGTON, DC

Consent Statement for Exempt Research: Survey

Title of Study: Becoming a Learning Organization in the Financial Industry: A Case Study
IRB #: 101725
Principal Investigator Name: Dr. Michael Marquardt
Version Date: 11/09/2017

You are invited to participate in a research study under the direction of Dr. Michael Marquardt of the Graduate School of Education and Human Development, Human and Organizational Learning Program at George Washington University (GWU). Taking part in this research is entirely voluntary. We plan to enroll 50 subjects. The status of your employment will not, in any way, be affected should you choose not to participate or if you decide to withdraw from the study at any time. Further information regarding this study may be obtained by contacting Veronika Smith, who is a doctoral student researcher and primary contact for this research, at (571) 423-9562.

The purpose of this study is to understand how learning organizations are created through organizational learning and organizational change in the financial industry.

If you choose to take part in this study, you will be asked to complete a survey. For convenience, a paper survey will be utilized. You will be asked to complete the survey at your convenience on paper. The researcher will enter your responses into SPSS that evening and shred the paper copy. The total amount of time you will spend in connection with this study is no more than 20 minutes. You may refuse to answer any of the questions, and you may stop your participation in this study at any time.

Possible risks or discomforts you could experience during this study include loss of confidentiality or psychological stress or discomfort.

You will not benefit directly from your participation in the study. The benefits to science and humankind that might result from this study are greater understanding of how learning organizations are built. Findings will help practitioners build and sustain learning organizations. This study will yield additional understanding about learning organizations in the financial industry.

Every effort will be made to keep your information confidential; however, this cannot be guaranteed. The researcher will not collect any names or demographic information about the participants. The identity of the participants will in no way be linked to the data collected in this study. If results of this research study are reported in journals or at scientific meetings, the people who participated in this study will not be named or identified.

The Office of Human Research of George Washington University, at telephone number (202) 994-2715, can provide further information about your rights as a research participant.

To ensure anonymity, your signature is not required. Your willingness to participate in this research study is implied if you proceed.

*Please keep a copy of this document in case you want to read it again.
Consent Statement for Exempt Research: Focus Group

Title of Study: Becoming a Learning Organization in the Financial Industry: A Case Study
IRB #: 101725
Principal Investigator Name: Dr. Michael Marquardt
Version Date: 11/09/2017

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The purpose of this study is to understand how learning organizations are created through organizational learning and organizational change in the financial industry.

If you choose to take part in this study, you will be asked to participate in a focus group at a given date and time. Multiple dates and times will be proposed for you to determine which one is the most convenient. The total amount of time you will spend in connection with this study is no more than 1 hour. You may refuse to answer any of the questions, and you may stop your participation in this study at any time.

Possible risks or discomforts you could experience during this study include loss of confidentiality or psychological stress or discomfort.

During the focus group discussions, while we cannot guarantee the confidentiality of the discussion, we request that all present respect the group by not repeating what is said outside the group.

You will not benefit directly from your participation in the study. The benefits to science and humankind that might result from this study are greater understanding of how learning organizations are built. Findings will help practitioners build and sustain learning organizations. This study will yield additional understanding about learning organizations in the financial industry.

Every effort will be made to keep your information confidential; however, this cannot be guaranteed. The researcher will not collect any names or demographic information about the participants. The identity of the participants will in no way be linked to the data collected in this study. If results of this research study are reported in journals or at scientific meetings, the people who participated in this study will not be named or identified.

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The purpose of this study is to understand how learning organizations are created through organizational learning and organizational change in the financial industry.

If you choose to take part in this study, you will be asked to participate in a one-on-one interview with the student researcher. The student researcher will meet with you on a date and time that is convenient for you. The total amount of time you will spend in connection with this study is no more than 1 hour. You may refuse to answer any of the questions, and you may stop your participation in this study at any time.

Possible risks or discomforts you could experience during this study include loss of confidentiality or psychological stress or discomfort.

You will not benefit directly from your participation in the study. The benefits to science and humankind that might result from this study are greater understanding of how learning organizations are built. The findings will help practitioners build and sustain learning organizations. This study will yield additional understanding about learning organizations in the financial industry.

Every effort will be made to keep your information confidential; however, this cannot be guaranteed. The researcher will not collect any names or demographic information about the participants. The identity of the participants will in no way be linked to the data collected for this study. If results of this research study are reported in journals or at scientific meetings, the people who participated in this study will not be named or identified.

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