Inter-Organizational Learning in Government Services

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Abstract

Managers nowadays realize that the effective utilization of knowledge is fundamental for an effectively managed company. The importance of knowledge management becomes more and more apparent. One issue in knowledge management is organizational and inter-organizational learning. In this, learning can be denoted by creation, transfer and use of knowledge. However, learning is often not accomplished because of cultural differences and conceptual problems of what learning exactly is. In this research we present a conceptual model of (inter-) organizational learning. The base line of this model is that learning means a *change of knowledge*. We disentangle the concepts change and knowledge further, by using type of change, source of change, nature of knowledge, and type of knowledge in the model. The model will be tested on data gathered from employees within Dutch government services. Because this study is work in progress, we are yet unable to present results.

Keywords

(inter-) organizational learning, government services, change of knowledge, facet theory

Introduction

Not so long ago, managers thought that creating and using knowledge was something that goes without saying (Nonaka et al. 1996). More recently it was concluded that knowledge is not an exogenous given quantity, but that it is the result of purposeful action. Managers realize that the effective utilization of knowledge is fundamental for an effectively managed company (Brooking 1997; Demarest 1997; Gold et al. 2001; Laudon et al. 2000; Schlegelmilch et al. 2003). Quinn (1992, 241) states that 'with rare exceptions, the economic and producing power of the firm lies more in its intellectual and service capabilities than its hard assets'. However, realizing that knowledge is important is one thing. The creation, transfer and use of knowledge is something else and is often not achieved without problems (Bhatt 2000; Gold et al. 2001). These problems have their origin in the nature of the aforementioned knowledge processes: these are unstructured and have an intuitive base (Bhatt 2000; Demarest 1997). Additionally, the output of these activities is often intangible (Davenport et al. 1996). A solution for these problems could be an effective knowledge management.

Creation, transfer and use of knowledge can be denoted as learning. Is learning in one organization difficult already (e.g. Patriotta 2003), it becomes really complex when organizations want to learn from each other. Still, because collaboration between firms in all

possible variants can be seen in more and more situations, inter-organizational learning is becoming a substantial issue (Holmqvist 1999; Holmqvist 2003; Amin & Cohendet 2004). However, learning is often not accomplished because of cultural differences, and conceptual problems of what learning exactly is. In this research we want to look at the conceptual meaning of (inter-) organizational learning.

Theoretical background

Organizations can learn only if individuals within the organization learn (Argyris 1977; Senge 1990; Huber 1996, Weggeman 1996). This leads to the question of how individuals in organizations learn. The literature shows no univocal definition of the concept of organizational learning. Argyris (1977), for example, describes learning as "a process of detecting and correcting error". Fiol and Lyles (1985) define organizational learning as "the process of improving actions through better knowledge and understanding". Levitt and March (1988) state that organizations learn "by encoding inferences from history into routines that guide behavior", whereas Stata (1989) states that organizations learn "through shared insights, knowledge, and mental models and build on past knowledge and experience". In the view of Huber (1991) an entity learns when "through the processing of information, the range of its potential behaviors is changed".

Although there is no unanimity of what organizational learning is, all descriptions of the concept have in common that learning means a change of knowledge. However, the descriptions disagree in what a *change* means. Does a change in knowledge have to be visible in changed behavior in order to be called learning (e.g. Fiol & Lyles 1985; Huber 1991), or can an organization 'learn' without changing its behavior (e.g. Stata 1989)? In organizational change research the difference between these two positions is expressed by the terms alpha-change and gamma-change (Golembiewski et al. 1976; Terborg et al. 1980). The third change is not mentioned in the organizational learning literature, however this concept of beta-change in organizational change can be transferred to learning as well. Another difference is the source of the change: should the mainspring lie outside the organization to state that the organization has learned, or should a wider spread of knowledge among employees of one and the same organization also be considered organizational learning (e.g. Knight 2002)?

Furthermore the definitions do not make clear what *knowledge* means. For example, in the literature a difference is made between tacit knowledge and explicit knowledge (i.e., type of knowledge) (Polanyi 1966; Pylyshyn 1984). Another categorization is based on the nature of the knowledge. The prevailing view is that knowledge at a lower-level and knowledge at a higher-level can be studied (Fiol & Lyles 1985). This corresponds with the idea of Argyris (1977) that two ways of organizational learning exist: generative, or "double-loop" learning, and adaptive, or "single-loop" learning. In adaptive learning attention is on problem solving, without looking at improving the process of solving problems. In generative learning this process itself is the learning topic.

Figure 1 presents the conceptual model of learning we developed from the above literature. To study whether employees consider to have learned in an inter-organizational setting (i.e., to consider a change in knowledge to be organizational learning), we will examine the effect

of type of change, source of change, nature of knowledge, type of knowledge on their evaluation of organizational learning.

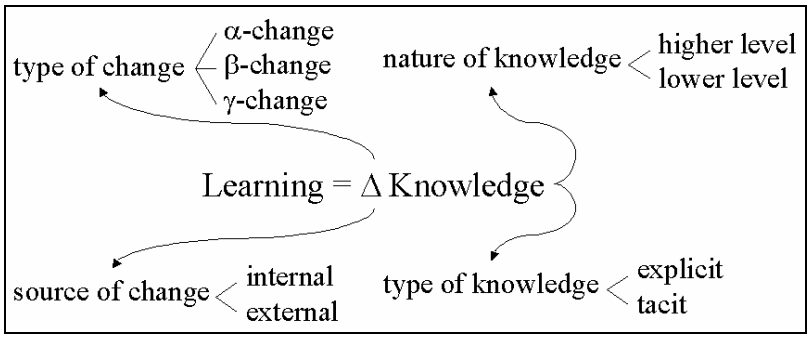

Figure 1. Conceptual model of learning.

From this conceptual model we derive the following set of research questions:

Q1a In what way is the recognition of an α-change related to the extent to which employees consider to have learned?
Q1b In what way is the recognition of an β-change related to the extent to which employees consider to have learned?
Q1c In what way is the recognition of an γ-change related to the extent to which employees consider to have learned?

Q2a In what way is a change based on internal sources related to the extent to which employees consider to have learned?
Q2b In what way is a change based on external sources related to the extent to which employees consider to have learned?

Q3a In what way is a change based on higher lever learning related to the extent to which employees consider to have learned?
Q3b In what way is a change based on lower level learning related to the extent to which employees consider to have learned?

Q4a In what way is a change based on tacit learning related to the extent to which employees consider to have learned?
Q4b In what way is a change based on explicit learning related to the extent to which employees consider to have learned?

Method

Subjects: employees within Dutch government services

In 2000, the Dutch Ministry of Education Culture and Science assigned a benchmark study among six ZBOs (government organizations that independently performs a certain government task). This study has become known as the Government Wide Benchmark (in Dutch: RBB). One of the recommendations of the RBB was to repeat the benchmark

regularly, to be able to see and support certain developments. The ministry accepted this recommendation. In the last years RBB-I and RBB-II are conducted, whereas RBB-III started in spring 2005[1]. Many ZBOs participated already in the RBBs, and a number of organizations from the first RBB participate again in RBB-III in order to analyze the changes occurred in the last five years. The RBBs are coordinated by the IB-Group (in Dutch: Informatie Beheer Groep) which is responsible for the execution of several acts and regulations, such as student grants and information management. All the participating organizations together form the RBB-network; these organizations together are accountable for 40% of the national budget of the Dutch government.

The main goal of the participants in the network is to learn from each other. However, the organizations within the RBB-network differ in organizational structure, control mechanisms, primary processes and clientele. This means that the attention of the benchmark should be on processes and parameters that are not specific for one organization (with its own local reality), one point in time, or one context.

The method used in the RBB is based on the INK-management model[2]. The INK-model was developed by the Dutch Department of Trade and Industry in 1991 and can be used in four ways: raising awareness about problems, diagnosis of problems, designing and implementing improvements, and control. The model focuses on nine fields divided in two groups:

- Organization: Leadership, management of employees, strategy and policy, management of resources, management of processes
- Results: Employees, clients and suppliers, society, management and financiers.

The assessment of a ZBO in the RBB-network is performed by specially trained employees from one of the other organizations in the RBB-network. The results are communicated in reports and seminars.

Data collection and analysis

The data needed to answer the research questions will be collected among employees of ZBOs in the current RBB (RBB-III). We have the following method in mind. We believe that the different concepts from the conceptual model can only be studied in their mutual interdependencies. In most studies, data is gathered by measuring concepts separately, and only in the analysis the relationships between them are studied. However, in giving answers the respondents will not isolate the concepts, but sense them embedded in a nomological network. By directly probing these relations in a questionnaire, more insight in the research question can be gained. Therefore, we plan to use Facet Theory (Shye et al. 1994). With this theory we will generate a so-called mapping sentence with which all the possible relations between the concepts can be explored. This mapping sentence leads to several questions that will be asked in a questionnaire. Multidimensional scaling techniques will be used to get insight in the images the respondents have of the concept of organizational learning.

Because this study is work in progress, we are yet unable to present results and interpretations of our analyses.

[1] The RBB in 2000 is called RBB-0.
[2] INK stands for Institute for Dutch Quality

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