

# Determining Organizational Learning Capability: A Study in Private Health Care Organizations

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## ABSTRACT

**Introduction:** Due to the fast-changing and developing business environment, knowledge has become a very important resource for organizations. However, reaching and obtaining knowledge is difficult, the level of organizational learning capability (OLC) perception within the organization is a key for this. This is also true for health organizations. If health care organizations can increase their OLC levels, they might achieve an increase in organizational performance, patient satisfaction, competitive advantage, and employee satisfaction.

**Objective:** In this study, it is aimed to determine the level of OLC perception of employees working in private health care organizations. It is also aimed to examine whether this perception level shows variance according to demographic differences.

**Materials and methods:** Research was done between January 2017 and March 2017 in private health care organizations operating in Turkey. The population of the study includes both administrative staff and health staff working in these organizations. Survey method was used to collect data, and 111 valid questionnaires were collected at the end of data collection period.

**Results and conclusion:** According to the findings, employees perceive their organizations' OLC level positively both for general OLC and for OLC subdimensions. However, it is also concluded that this perception level could be increased as well. In order to achieve this, health care organizations are required to encourage their employees toward learning, investigating, communication, risk taking, and participation.

**Keywords:** Health care organizations, Organizational learning, Organizational learning capability.

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## INTRODUCTION

The rapid change and developments triggered by the globalization have forced organizations to cope with

these developments. Moreover, organizations have become more sensitive to these changes, and they found themselves in a global competition. Therefore, organizations are required to make right decisions and internalize well-established flow of information system within their structure in order to survive in this highly uncertain and competitive global environment.<sup>1</sup> In that kind of competitive environment, one of the most valuable competitive advantage tools is knowledge. What is more, to obtain knowledge systematically, collective learning behavior has become more important than ever.<sup>2</sup>

The concept of learning has been examined by psychologists and pedagogues, and it has been generally examined in terms of individual learning level. Later on, scholars from different disciplines, such as business management and economics have put emphasis on learning, and they have examined the concept of learning in different perspectives, such as behavioral dynamics of individuals in business life.<sup>3</sup> As a result, the concepts, such as organizational learning and learning organizations have come into play. Organizational learning refers to an information processing procedure of acquisition, dissemination, interpretation, and storage of knowledge in organizational memory for further use. For an advanced organizational learning, it is required to have an advanced organizational learning capability (OLC).<sup>4</sup>

Organizational learning capability is defined as "the organizational and managerial characteristics that facilitate the organizational learning process or allow an organization to learn".<sup>5</sup> According to a different definition offered by Limpibuntern and Johri,<sup>6</sup> OLC is defined as "an intrinsic ability of an organization because of which the organization creates, enriches, and utilizes knowledge to outperform its competitors in terms of its competitiveness and performance."

Organizational learning capability implies a complex, multidimensional, and a dynamic concept.<sup>7</sup> In the literature, there are various classifications related to the dimensions of OLC. For instance, according to Jerez-Gómez et al,<sup>8</sup> the dimensions of OLC are managerial commitment, systems perspective, openness and experimentation, and knowledge transfer and integration. On the contrary, Chiva et al<sup>9</sup> offered five dimensions for OLC, namely experimentation, risk taking, interaction with the external environment, dialogue, and participative

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decision-making. These dimensions are explained briefly below:<sup>9,10</sup>

- *Experimentation*: It is defined as to what extent new idea or suggestions are tolerated and welcomed sympathetically. Experimentation dimension is the most supported dimension of OLC in the literature. This dimension involves trying new and innovative ideas, being open to change, and encouraging people who work on new ideas. Moreover, it involves new approaches to the solution of existing problems as well.
- *Risk taking*: It refers to the extent to which uncertainty, ambiguity, and errors are tolerated. Organizations might avoid taking risk if they want to achieve success in the short term because risk taking may lead to errors. However, benefits derived from errors may lead to ease of problem recognition and diversity in organization’s area of movement.
- *Interaction with the external environment*: This dimension involves the scope of relationship with the external environment, which refers to the factors beyond the organization’s direct control, such as competitors, social, economic, and governmental systems.
- *Dialogue*: It can be described as the basic process of developing shared understanding, and it has a very important role in organizational learning. Communication and dialogue among employees, and between employees and managers have a direct influence on learning.
- *Participative decision-making*: This dimension refers to the level of employees’ involvement in decision-making process.

Managerial characteristics that facilitate organizational learning have great importance for providing competitive advantage to organizations.<sup>11</sup> Organizational learning capability has a positive influence on organizations’ performance.<sup>12,13</sup> In health care organizations an increase in staff learning increases both staff performance and organizational performance, which then increases patient satisfaction as well.<sup>14</sup> Therefore, it is important to examine OLC in health care organizations. In this study, it is aimed to determine the level of OLC perception of employees working in private health care organizations. In addition, it is also aimed to examine whether this perception level shows variance according to demographic differences.

**MATERIALS AND METHODS**

The research was done between January 2017 and March 2017 in private health care organizations operating in Turkey. The population of the study includes both administrative staff and health staff working in these organizations. The survey method was used to collect

data, and 111 valid questionnaires were collected at the end of the data collection period.

The questionnaire used in the study has two parts. The first part involves demographic information related to the participants. Statements in the second part are based on determining participants’ perceptions of OLC. Organizational Learning Capability Scale developed by Chiva et al<sup>9</sup> was used in the second part, and reliability and validity of the scale were examined by the authors of this study. The OLC scale involves 14 statements aimed to measure five subdimensions; (1) experimentation (2 items), (2) risk taking (2 items), (3) interaction with the external environment (3 items), (4) dialogue (4 items), and (5) participative decision-making (3 items). Cronbach alpha coefficients were calculated in order to measure the reliability of the scale, and are presented in Table 1. Statements in the questionnaire are measured through 5-point Likert scale (Totally Disagree, Disagree, Neither Agree nor Disagree, Agree, Totally Agree).

In data analysis process, frequencies, percentage distribution, mean, and standard deviations are calculated, and demographic comparisons were performed. According to Kolmogorov–Smirnov test, data were found to be normally distributed. Therefore, in the demographic comparisons, independent samples t-test was used in comparing two independent groups, and one-way analysis of variance test was used in comparing more than two independent groups. The 95% confidence interval and 5% significance level were used to evaluate the findings.

**RESULTS**

Totally, 111 people participated in the study, and 73 (65.8%) of them are female, and 38 (34.2%) of them are male. The age distribution of the participants is as follows: 44 of the participants (39.6 %) are ≤25 years, 49 of them (44.1%) are between 26 and 35 years, and 18 of them (16.2%) are 36 years old or older. When the education levels of the participants are examined, it is found that 21 of them are (18.9%) high school graduates, 38 of them have (34.2%) associate degree, 33 of them have (29.7%) undergraduate degree, and 19 of them have (17.1%) have graduate degree. A total of 53 of the participants (47.7%)

**Table 1:** Reliability analysis

<i>Dimensions</i>	<i>No of items</i>	<i>Cronbach’s alpha</i>
Experimentation	2	0.91
Risk taking	2	0.84
Interaction with the external environment	3	0.84
Dialogue	4	0.87
Participative decision-making	3	0.90
Organizational learning capability	14	0.95



are administrative staff, and 58 of them (52.3%) are health care staff. When the tenures of the participants are examined, 49 of the participants (44.1%) have 1 to 3 years of experience, 29 of the participants (26.1%) have 4 to 6 years of experience, and 33 of the participants (29.7%) have 7 or more years of experience.

According to Table 2, employees participated in the study see OLC level of their organizations as positive both for general OLC and for subdimensions of OLC. The most positively perceived subdimension is dialogue, whereas risk taking is perceived as the least positively perceived subdimension.

In Table 3, gender-based comparison of OLC perceptions is given. According to this table, it is seen that there is only significant difference in risk-taking dimension in terms of gender. However, it is seen that there is no significant gender-based difference both for general OLC perception and for other subdimensions.

In Table 4, age-based comparison of OLC perceptions is given. According to this table, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions.

In Table 5, education-based comparison of OLC perceptions is given. According to this table, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions.

In Table 6, job position-based comparison of OLC perceptions is given. According to this table, it is seen that

there is only significant difference in interaction with the external environment dimension in terms of job position. However, it is seen that there is no significant job position-based difference both for general OLC perception and for other subdimensions.

In Table 7, tenure-based comparison of OLC perceptions is given. According to this table, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions.

## DISCUSSION

According to the findings, employees perceive their organizations' OLC level positively both for general OLC and for OLC subdimensions. Dialogue subdimension is found to be the most positively perceived subdimension, whereas risk-taking subdimension is found to be the least positively perceived subdimension. Another similar study in the literature also supports our findings.<sup>10</sup> The finding that dialogue subdimension is the most positively perceived subdimension can be explained by the extensive importance placed on communication in health care organizations. On the contrary, the finding that risk-taking dimension is the least positively perceived subdimension can be explained by the criticality of human health care. In other words, health care employees are more likely to avoid risk taking when it comes to human life.

When the employees' OLC perception levels are analyzed in terms of gender, it is seen that there is only significant difference in risk-taking dimension. However, it is also seen that there is no significant gender-based difference both for general OLC perception and for other subdimensions. For gender-based comparisons, it is found that men perceive their organizations' OLC levels higher than women do. Similar study done by Aydoğan et al<sup>3</sup> also supports this finding, and it is recommended to examine this subject in detail.

**Table 2:** Descriptive statistics

<i>Dimensions</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>
Experimentation	111	3.39	1.15
Risk taking	111	3.14	1.18
Interaction with the external environment	111	3.33	1.09
Dialogue	111	3.58	0.98
Participative decision-making	111	3.22	1.19
Organizational learning capability	111	3.36	0.97

**Table 3:** Comparison of perceived OLC level in terms of gender

<i>Dimensions</i>	<i>Gender</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>t-value</i>	<i>Significance</i>
Experimentation	Female	73	3.29	1.13	-1.27	0.21
	Male	38	3.58	1.18		
Risk taking	Female	73	2.97	1.19	-2.19	0.03
	Male	38	3.47	1.08		
Interaction with the external environment	Female	73	3.26	1.07	-0.90	0.37
	Male	38	3.46	1.14		
Dialogue	Female	73	3.51	0.98	-1.02	0.31
	Male	38	3.71	0.98		
Participative decision-making	Female	73	3.13	1.18	-1.06	0.29
	Male	38	3.39	1.20		
Organizational learning capability	Female	73	3.27	0.96	-1.39	0.17
	Male	38	3.53	0.97		

**Table 4:** Comparison of perceived OLC level in terms of age

<i>Dimensions</i>	<i>Age</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>f-value</i>	<i>Significance</i>
Experimentation	25 and under	44	3.25	1.33	1.53	0.22
	26–35	49	3.36	1.06		
	36 and higher	18	3.81	0.86		
	Total	111	3.39	1.15		
Risk taking	25 and under	44	3.06	1.33	1.17	0.31
	26–35	49	3.07	1.10		
	36 and higher	18	3.53	0.93		
	Total	111	3.14	1.18		
Interaction with the external environment	25 and under	44	3.42	1.17	0.99	0.38
	26–35	49	3.17	1.05		
	36 and higher	18	3.54	0.98		
	Total	111	3.33	1.09		
Dialogue	25 and under	44	3.44	1.10	0.87	0.42
	26–35	49	3.64	0.95		
	36 and higher	18	3.76	0.70		
	Total	111	3.58	0.98		
Participative decision-making	25 and under	44	3.26	1.21	1.06	0.35
	26–35	49	3.07	1.14		
	36 and higher	18	3.54	1.27		
	Total	111	3.22	1.19		
Organizational learning capability	25 and under	44	3.31	1.08	0.91	0.41
	26–35	49	3.29	0.92		
	36 and higher	18	3.64	0.79		
	Total	111	3.36	0.97		

**Table 5:** Comparison of perceived OLC level in terms of education

<i>Dimensions</i>	<i>Education</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>f-value</i>	<i>Significance</i>
Experimentation	High school	21	3.43	1.11	0.03	0.99
	Associate degree	38	3.34	1.19		
	Undergraduate	33	3.41	1.28		
	Graduate	19	3.39	0.98		
	Total	111	3.39	1.15		
Risk taking	High school	21	3.24	1.29	0.42	0.74
	Associate degree	38	3.16	1.19		
	Undergraduate	33	3.21	1.23		
	Graduate	19	2.87	0.97		
	Total	111	3.14	1.18		
Interaction with the external environment	High school	21	3.27	1.13	1.27	0.29
	Associate degree	38	3.55	1.07		
	Undergraduate	33	3.31	1.18		
	Graduate	19	2.96	0.90		
	Total	111	3.33	1.09		
Dialogue	High school	21	3.71	0.95	0.34	0.80
	Associate degree	38	3.63	0.94		
	Undergraduate	33	3.46	1.13		
	Graduate	19	3.53	0.85		
	Total	111	3.58	0.98		
Participative decision-making	High school	21	3.16	1.25	1.16	0.33
	Associate degree	38	3.39	1.08		
	Undergraduate	33	3.31	1.30		
	Graduate	19	2.79	1.12		
	Total	111	3.22	1.19		
Organizational learning capability	High school	21	3.39	1.03	0.46	0.71
	Associate degree	38	3.45	0.94		
	Undergraduate	33	3.35	1.07		
	Graduate	19	3.14	0.80		
	Total	111	3.36	0.97		

*Determining Organizational Learning Capability: A Study in Private Health Care Organizations***Table 6:** Comparison of perceived OLC level in terms of job position

<i>Dimensions</i>	<i>Job position</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>t-value</i>	<i>Significance</i>
Experimentation	Administrative staff	53	3.47	0.87	0.73	0.46
	Health staff	58	3.31	1.37		
Risk taking	Administrative staff	53	3.09	0.91	-0.39	0.70
	Health staff	58	3.18	1.39		
Interaction with the external environment	Administrative staff	53	3.11	0.99	-2.06	0.04
	Health staff	58	3.53	1.15		
Dialogue	Administrative staff	53	3.66	0.80	0.84	0.40
	Health staff	58	3.50	1.12		
Participative decision-making	Administrative staff	53	3.03	1.02	-1.60	0.11
	Health staff	58	3.39	1.31		
Organizational learning capability	Administrative staff	53	3.30	0.75	-0.61	0.55
	Health staff	58	3.41	1.14		

**Table 7:** Comparison of perceived OLC level in terms of tenure

<i>Dimensions</i>	<i>Tenure</i>	<i>n</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>f-value</i>	<i>Significance</i>
Experimentation	1-3 years	49	3.39	1.33	0.34	0.71
	4-6 years	29	3.52	1.10		
	7 years and higher	33	3.27	0.91		
	Total	111	3.39	1.15		
Risk taking	1-3 years	49	3.15	1.39	2.80	0.07
	4-6 years	29	3.50	0.94		
	7 years and higher	33	2.80	0.92		
	Total	111	3.14	1.18		
Interaction with the external environment	1-3 years	49	3.39	1.21	1.08	0.34
	4-6 years	29	3.48	0.98		
	7 years and higher	33	3.10	0.99		
	Total	111	3.33	1.09		
Dialogue	1-3 years	49	3.47	1.18	0.64	0.53
	4-6 years	29	3.73	0.84		
	7 years and higher	33	3.60	0.74		
	Total	111	3.58	0.98		
Participative decision-making	1-3 years	49	3.28	1.22	0.76	0.47
	4-6 years	29	3.36	1.14		
	7 years and higher	33	3.01	1.20		
	Total	111	3.22	1.19		
Organizational learning capability	1-3 years	49	3.36	1.12	0.89	0.42
	4-6 years	29	3.53	0.85		
	7 years and higher	33	3.21	0.81		
	Total	111	3.36	0.97		

When the employees' OLC perception levels are analyzed in terms of age, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions. A previous study in the literature also found similar results, which supports our findings as well.<sup>14</sup> When the age groups are statistically examined in detail, it is found that older employees have higher OLC perception levels. As employees get older, their knowledge and experience also increase. Moreover, health care organizations aim to benefit this knowledge and experience and also aim to transfer this knowledge and experience to other employees. Therefore, it is possible to argue that older employees participate more in

the organization's learning activities, and, thus, perceive their organizations' OLC level higher.

When the employees' OLC perception levels are analyzed in terms of education, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions. Farzianpour et al<sup>14</sup> also found similar results for the relationship between education and OLC perception level, which supports our finding as well. When the education aspect is statistically examined in detail, it is found that there is a negative relationship between education and OLC perception. This finding might be examined through arguing that employees with higher education

levels have more knowledge base, and they have more complex and difficult jobs. In other words, employees, who have higher education levels, are eager to benefit from training and development opportunities in order to perform better, whereas these demands are generally not met and ignored by their organizations. On the contrary, employees with lower levels of education need less amount of knowledge due to the characteristics of their jobs, and the necessary knowledge for their jobs is generally provided by their organization.

When the employees' OLC perception levels are analyzed in terms of job position, it is seen that there is only significant difference in interaction with the external environment dimension. However, it is seen that there is no significant job position-based difference both for general OLC perception and for other subdimensions. It is possible to argue that one of the main reasons behind this finding might be that health staff are required to follow developments and changes in the health care sector in order to sustain their personal development, thus health staff are more likely to engage in interaction with the external environment. When the job position aspect is statistically examined in detail, it is seen that health staff have higher OLC perception level than those of administrative staff. Aydoğan et al<sup>3</sup> also support this finding; specifically, they found that health staff have higher OLC perception levels than administrative staff.

When the employees' OLC perception levels are analyzed in terms of tenure, it is seen that there is no statistically significant difference both for general OLC perception level and for OLC subdimensions. In the literature, other studies also support this result. For instance, Uzuntarla et al<sup>10</sup> found that there is no statistically significant relationship between OLC perception levels of employees and their tenure, which supports our findings as well. When the tenure aspect is statistically examined in detail, it is seen that employees with medium levels of tenure have higher levels of OLC perception, whereas employees with low and high tenure reported lower levels of OLC perception.

## CONCLUSION

Due to the fast-changing and developing business environment, knowledge has become a very important resource for organizations. Organizations, which possess and use knowledge, are more likely to be one step ahead of their competitors. However, reaching and obtaining knowledge is difficult, and OLC perception within the organization is a key aspect for this aim. Changes and developments occurring in health care sector have forced health care organizations to

emphasize and rely on organizational learning more than ever. Moreover, health care organizations have also started to increase their OLC perceptions. If health care organizations can increase their OLC levels, they might achieve an increase in organizational performance, patient satisfaction, competitive advantage, and employee satisfaction.

According to the findings of this study, it is seen that OLC levels of the participants are fair and sufficient. However, it is also concluded that this perception level could be increased as well. In order to achieve this, health care organizations are required to encourage their employees toward learning, investigating, communication, risk taking, and participation. In addition, necessary organizational culture and framework must be established within the organization by obtaining management support. Although this study has limitations, such as limited number of participants, it is still important to demonstrate whether there is a demographic variation among employees in terms of their OLC perception levels. It is recommended that conducting similar studies with higher sample sizes might be beneficial.

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