

# INTELLECTUAL ORGANISATION AS A STAGE OF THE DEVELOPMENT OF THE LEARNING ORGANISATION

Natalija Šedžiuvienė  
Šiauliai State College, Lithuania

## Annotation

*The article analyzes preconditions of learning organization transformation into intellectual organization, based on the learning society and learning organization concepts, revealing the need to share knowledge and help others learn, encouraging people's responsibility and enhancing their motivation, concepts that treat education as a fundamental factor of a successful career of an individual, survival of the organization and national prosperity.*

**Key words:** *learning organization, intelligent organization, motivation, strategy.*

## Introduction

Contemporary education and management literature is rich in ideas about the *Learning Organisation* – the actual phenomenon for both educators and managers (Fullan, 1998; Stoll, Fink, 1998; Targamadžė, 1998; Dalin, Rolff, Kleekamp, 1999; Hargreaves, 1999; Jarvis, 2001; Simonaitienė, 2001; Garalis, 2003; Jucevičienė, 2004). However, the process of transformation of the *Learning Organisation* to the *Intellectual Organisation* and the stages of the process of formation of the *Intellectual Organisation* are not analysed enough. The analysis of the tendencies of formation of the *Intellectual Organisation* is relevant, it will encourage a new perception and adequate actions helping to reveal new opportunities for individuals and organisations. But mastering the actions of thinking does not mean that it will automatically create the necessary conditions for the *Intellectual Organisation* to originate. In order to create an intelligent organisation, good intentions alone are not sufficient. The following issues still are to be addressed:

- the unexplained methods of improvement, in order to release the potential of a separate individual and the whole organisation;
- the undetermined stages and features of the process of transformation of the *Learning Organisation* to the *Intellectual Organisation*.

**Research problem:** what are the conditions of the formation of the *Intellectual Organisation* and how can they be justified theoretically?

**Research object:** the process of transformation of the *Learning Organisation* to the *Intellectual Organisation*.

**Goal:** to reveal the conditions of the formation of the *Intellectual Organisation* theoretically.

**The concept and meaning of the Learning Organisation.** About thirty years ago the concept of adult education was strongly associated with the concepts of permanent education, lifelong learning and feedback. Today's lexicon appears to be a bit different. Now the compulsory terms are lifelong learning, *Learning Organisation* and *Learning Society*. The essential learning became the main point for discussions. Focusing on learning rather than on education or training, the main attention goes to a learner as an individual who assumes responsibility for learning and the choice of what, where and how to learn (Raggatt et al., 2015).

Today it is considered that the *Learning Organisation* is the right model of organisation, which ensures the organisation's ability to respond to environmental changes flexibly and efficiently and educate the individuals able to participate in the process of life-long learning.

The importance of the strategy of the Learning Organisation and the necessity to invest in human resources have been discussed for a long time. Continuous and rapid changes in the labour market require not only the conceptual development of this theory, but also the concrete means that could help implement the idea of the process of transformation of the *Learning Organisation* to the *Intellectual Organisation*.

The term *Learning Organisation* is used in both spheres: in scientific literature and in real organisational practice. Lithuanian and foreign scientists analyse the concept of the *Learning Organisation* in their works, but it is not clearly identified and there is no universally accepted meaning of this term. Each author defines the *Learning Organisation* in a different way and focuses on different aspects.

The following aspects are generally stressed in the concepts of the *Learning Organisation*: the type of activity of the *Learning Organisation*, the incentives for the members to learn in the organisation and the process of learning as a general value.

However, a newly emerged idea of continually *Learning Organisation* is becoming outdated because it does not fully correspond the latest challenges and needs of these days. Moreover, the most progressive organisations of the third millennium have not been created yet, and it is not necessary to create them. They may result from the process of restructuring of the existing organisations and become new organisations because the *Learning Organisation* leads to the development of the *Intellectual Organisation*. In order to achieve changes in thinking, which are so important for today's organisations, it is necessary to create a new culture, which not only allows but also actively encourages the development of such modern culture or environment, in which everyone can constantly ask questions and help each other learn the most effective actions and thinking skills that could be applied in practical activities (Паны Ф., 2017). It is very important and relevant because today a lot of people are passive. Organisation leaders must encourage and teach them how to use their own thoughts and resources to benefit themselves and the organisation.

### **The features of the *Learning Organisation* which is trying to become the *Intellectual Organisation***

The analysis of scientific literature can provide us various features of the *Learning Organisation* which aims at becoming the *Intellectual Organisation*. The researchers of the *Learning Organisation* – Pedler, Burgoyne, Boydell (2010) identified the following features of the *Learning Organisation* which seeks to become the *Intellectual Organisation*:

1. *Global Learning Strategy* – the executive decisions of organisation leaders are experimental rather than definitive rules, directed towards the formation of organisational policy and strategy improvement.
2. *Participation of members in policy formation process* – the *Learning Organisation* not only takes various proposals, but also encourages their creation, and every member is included into the policy formation process.
3. *Information and communication* – information is freely available and quickly spread to every member to evaluate it from their own positions. Information technologies are used.
4. *Control* – an accounting system is set not to control, but to help workers get the access to the existing results and be able to plan the further development stages.
5. *Internal exchange* – the staff shares and exchanges the information, experience, knowledge, acquired during the work in the organisation.
6. *Flexible salaries* – the salary for the activities in the organisation must be very flexible: it is a very important not only financial, but also moral consideration.
7. *Opportunities* – individuals must be able to act individually in the organisation.
8. *External monitoring of the situation* – the staff works with clients, explores the external environment, in which the organisation exists, organises future opportunities and predicts the possible boundaries.
9. *Inter-institutional (cross-functional) learning through various forms of cooperation* – exchanges in duties, different learning courses, different researches, development programmes help individuals and organisation to develop.
10. *Educational climate* – staff members help each other and learn from each other without any fear of making mistakes.
11. *Opportunity for self-education* – all members have the opportunity for self-improvement and self-education. It is considered not only as a right but as an obligation, too.

Senge (2012) represented the following features of the *Learning Organisation*, which seeks to become the *Intellectual Organisation*:

1. *Team learning* – people learn how to learn together.
2. *Intercrossing vision* – all members of the organisation make the future vision.
3. *Mental Models* – the members learn how to think in a constructive way and how to create the positive perception of the world.
4. *Personal mastery* – the aspiration of all members' mastery (the idea of permanent education telling that there are no limits for development).
5. *Systematic thinking* – the ability of the organisation staff to see not only the linear cause-effect chain but also to notice the links among all elements in the system (interaction).

Hale (1996) indicated the following features of the *Learning Organisation* which seeks to become the *Intellectual Organisation*: concentration on problem identification and its solution, open and constructive communication, organizational values are well-known for all members and they do not intercross with the beliefs of the employees, the individual assessment of work is carried out in cooperation with all colleagues, but not only with organisation leaders, the authority is given as a tool of the development of human potential, striving for productive behaviour, the work place is also the place of learning, the employees are constantly learning how to learn together.

Following the analysis of the characteristics of the *Learning Organisation*, which aims at becoming the *Intellectual Organisation*, the following common aspects can be distinguished:

- All activities and work in the *Learning Organisation* can be treated as a learning process;
- Cooperation, the ability to work and to learn at the same time;
- Focusing on problem identification and solution;
- Open and constructive communication and productive behaviour;
- Unconditional acceptance of all possible differences;
- Work with information;
- The unique approach to the learning process of all members in the organisation.

### **Transformation of the *Learning Organisation* to *Intellectual Organisation***

We can state that the most progressive *Intellectual Organisations* of the third millennium do not exist. And there is no necessity for them to appear, because they can be converted from the existing companies. Old organisations can become the new ones if the staff will perceive the obstacles that are necessary to overcome.

Organisations often use a fashionable term „*intellectual capital*“. However, in order to ensure that capital to bring real profits the same active work as with financial capital must be done.

Therefore, to pretend to the *Intellectual Organisation* in the twenty-first century means to implement the potential of human mentality, because now it is used in a very low rate (about 20 per cent). If we succeed in creating the environment or organisational culture that would use at least 30 per cent of employees' mentality potential, it would increase the total efficiency of all workers' activity by 50 per cent (Origin, 1985).

Mastering the correct actions of thinking and perception does not mean that it will automatically involve the creation of the *Intellectual Organisation*. The main catalysts of the activities of the *Intellectual Organisation* are not so much the actions of perception and various techniques or methodologies used to educate the staff, but the continual learning combined with the values (criteria) of the organisation. At first these values may be called "Essential Rules". The rules may include the policy of the organisation and replace many obsolete organisational values: loyalty, respect, etc. Even outwardly they seem necessary and useful, but practically they do not fulfill their true functions. Therefore, the essential rules become related to the constant improvement of individual relations and the development of all organisational processes; the organisation itself is viewed as personal property and the personal responsibility for its activity, success and the use of economical recourses. The formation of proper understanding can be defined by the ability to listen to each other and to understand, to work effectively, to help each other with sincerity, honesty and respect, by the accessibility which is ensured by the access to information technology, responding to the demands of the employees and the consumers; by the professionalism, which is determined by excellent theoretical knowledge and practical skills to focus on personal and organisational tasks, priorities, etc.

These important rules help create the necessary environment or culture for the *Intellectual Organisation* to flourish. Therefore, the background of the system of the *Intellectual Organisation* is based on the system, which is subdued to the formation of the necessary culture and education and which encourages the emergence of the *Intellectual Organisation*, and its prosperity. Thinking and perception techniques are very important, but their influence is reduced considerably if they are analysed in isolation from the necessary cultural (environmental) background. If the thinking technique is mastered in the correct cultural background based on essential rules approach, it will be considered as the necessary norm and will be undoubtedly effective (Garalis, 2004). But it is not enough to create essential common rules, the more important thing is to control and analyse their implementation regularly, as it ensures the real success of the rules and eliminates their possibility to become the tool for organisation leaders to hold another traditional control campaign. The conception of regular monitoring of the results of the activity could be an excellent approach if it is performed benevolently and creatively.

It is necessary to create such a structure of daily work environment, where mutually constructive relationships are possible. It is possible that only the essential rules form such structures. These rules are designed for the relations with the leaders of organisation or the relations among the staff members and provide the opportunity to implement the constructive dialogue, which may be called periodic checking of the essential rules.

This type of control differs a lot from our common regular ways of control, as the control should develop mutual relations, but it is not intended to check the aims and tasks. This is not to say that the goals and tasks do not need any attention. However, if the organisation does not

develop appropriate inner relations, it will never achieve good results. After finding out these relations all the rest would be solved easier. In addition, it is necessary to individualise control, because firstly only a part of the relationship between the employees and organisation leaders is assessed. Secondly, it will be possible to respond to any changes in mutual relationships caused by various factors and work change quite flexibly and dynamically. This approach will allow to re-perceive the nature of any relations and to maintain general control of the culture of inner relations, emphasising that they must be implemented only on the basis of the essential rules.

#### **The problems or obstacles of creation of the *Intellectual Organisation***

Organisations are created to improve human rationality. In order to increase the accuracy and rationality of the management, activities of the organisation should be more similar to the activities of such "pure" sciences like physics or chemistry. As the individual human mind ability is insufficient to develop and solve complex problems compared to the complex problems of real life, the focus is on groups or organisations. To act rationally, it is necessary to apply the approach based on philosophical, logical positivism perspective to the management. However, the problem of the role of the values arises because a lot of **subjectivism** occurs when there are attempts to involve people with all their feelings, interests and concerns in the system. moreover, managers rarely come close to full rationality, as they often cannot fully rely on comprehensive information about various complicated situations and the consequences of their decisions.

The effectiveness of the management of the organisation based on complete rationalised approach brings serious consequences to an individual and the society because then the meaning of an individual is reduced to an ordinary employee who just has his/her own working place, i. e. he/she is valued due to the position he occupies in the hierarchy of the organisation. According to this mechanical scheme of organisation management based on instrumental or technical rationality, the staff becomes merely performers who are managed by a market mentality. Therefore, such rationalised organisation leaves little space for self-expression, because the cases of active self-expression disagree with the general order based on rationality. It is logical that this process leads to psychological insecurity, worsening life quality, as such model of management focuses on the means rather than on goals and distracts the attention from the goals themselves. Therefore, focusing only on effectiveness, we can perceive insufficiently and participate in making decisions, that are not important for an individual personally. Behaving in such a way, we will contribute little to the expression of social values of the state because it will be tried to achieve the goals set by the manager on the lowest possible costs seeking for the organisation leader's favour and easier adaptation. Even if we act effectively, it may happen that we will seek for the goals that do not correspond with the most significant values of us and our society. Therefore, in developing the *Intellectual Organisation* and creating its culture we must pay attention to this dichotomy in order to avoid the negative consequences related with discrepancy in mind and emotions, feelings and values. In order to reduce the discrepancy of this dichotomy, it is necessary to seek communication and constructive participation, to dominate in decision-making processes, planning special responsibility for motivating and implementing democratisation. It has been noticed that people who learn in cooperation like each other and show their friendliness to each other (Slavin, 1990). During the assessment of the effectiveness of cooperation in continuous learning process, the positive change in learners' self-value, sociometric status and psychological state was found (Beresnevičienė, Gedvilienė, 1999).

Because of these and other reasons, the followers of logical rational management style should understand that the objective of absolute rationality in management is limited if we do not consider the "human factor", socio-psychological factors and organisational culture. It should be taken into consideration when creating the *Intellectual Organisation* of the future and developing its culture.

#### **Conclusions**

It should be stressed that globalisation of the labour market, the challenges of the information and economical knowledge society, constantly posing rapid responses and quality improvement requirements, make us constantly look for the new ways of making the organisational activities more effective.

It is believed that learning organization in particular is the organization model, which enables to ensure the organization's ability to flexibly and effectively respond to changes in the environment and to educate individuals capable to be consistently involved in the process of continuous learning.

Cutting-edge organizations of the third millennium may appear by transforming the existing organizations that could become new, because constantly learning organization promotes development of an intellectual organization.

The ultimate aim of creating the *Intellectual Organisation* is to make the organisation ready for rational self-management.

Modern and new *Intellectual Organisation* having well-developed organisational culture may become the most progressive form of management and education in the twenty-first century.

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**Received:** 6 June 2017

**Accepted:** 11 October 2017