

# Development of Business Schools into Learning Organisations: The Case of Tallinn School of Economics and Business Administration

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- **Actuality:** The subject of learning organisations is topical in connection with the development trends of knowledge-based economy and knowledge-based society in Estonia and in Europe. While aiming towards the knowledge-based economy it is extremely important that universities and business schools had competences that would enable them to effectively respond to changes in the environment, thereby ensuring their competitive advantage.



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# The aim of the paper

- The paper investigates the characteristics of a learning organisation in Tallinn School of Economics and Business Administration of Tallinn University of Technology, and makes proposals how to transform the School into a learning organisation to ensure its sustainable development under global competition. It is studied whether it is possible to purposely develop and design the learning process at the School with the purpose of transforming the University into a learning organisation



# TALLINN SCHOOL OF ECONOMICS AND BUSINESS ADMINISTRATION (TSEBA)



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# The organisational characteristics(TSEBA):

- The total number of students at Tallinn School of Economics and Business Administration (TSEBA), which is the largest School at the university, is 3300 and TSEBA offers study programmes at Bachelor (4), Master (6) and Doctoral (1) level and in Estonian, Russian and English. The mission of TSEBA is to be a national centre of education, research and development in the field of economics and business administration. Its objective is to assure reproduction of academic competence and to be engaged in international educational and scientific collaboration in economics, business and in the areas that relate modern technology with business



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# The organisational characteristics(TSEBA)

- TSEBA is a part of the community of European schools of business and economics building upon its unique expertise in the economies of Estonia, Central and Eastern Europe and Baltic area. In TSEBA's strategy the emphasis is laid on: 1) Quality ; 2) Intellectual and personal development; 3) International orientation; 4) Relationship with government, corporate partners and professional organisations.



# The problem of the research

- This paper seeks to evaluate TSEBA as a learning organisation and using the opinions expressed by the staff, investigate which of the learning organisation's potentials our university might have and whether being a learning organisation will give TSEBA a competitive advantage. Solving of these questions might help TSEBA fulfil its mission and strategic aims.



# University as a Learning Organisation

**Characteristics of the learning organisation** have been examined from various aspects. Here I'd like to mention some interesting authors who have phrased various characteristics of the learning organisation.

- 1. Peter Senge- five disciplines considered essential for a learning organisation:** systems thinking, personal mastery, mental models, building shared vision, team learning
- 2. M. Pedler, T. Boydell & J. Burgoyne-** Characteristics of a learning organisation are revealed in providing learning opportunities, interaction with the external environment, learning support structure, in learning climate and strategy of the organisation



# University as a Learning Organisation

3. **Garvin**- systematic problem solving, experimentation with new approaches, learning from own experiences and past history, learning from the experiences and best practices of others, transferring knowledge quickly and efficiently throughout the organisation
4. **K. Watkins and V. Marsick** - provide continuous learning opportunities; foster inquiry and dialogue; encourage collaboration and team learning; create a system to facilitate division of learning and preserve what has been learnt; foster movement toward a collective vision; connect the organisation to its external environment



# University as a Learning Organisation

There are a number of articles discussing university as a learning organisation. Several authors have suggested that in the increasingly sharpening international competition universities should also be learning organisations (Dill 1999, Kristensen 1999, Mulford 2000).

**Peter Lorange**, former dean of IMD, has studied business schools as learning organisations and the aggregate learning partner model developed by him pictures development of partnership relations between business schools and companies as learning organisations. According to the model, a learning organisation is shaped by both its faculty members, discipline- and programme-based learning and business school partners (Lorange 1997). According to Peter Lorange, organisational learning should be a strategic development component of the business school.



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# University as a Learning Organisation

- **Leslie Willcoxson**, researcher of the University of Southern Queensland, Australia, examines in his article *Strategies for Changing a University into a 'Learning Organisation'* such university structures and systems like personnel management and knowledge management, organisational culture, the role of managers and team in the development of a learning organisation. The status of the learning organisation depends on the organisation's structure, culture and management. The key of structural changes is in the hands of managers (Willcoxson 2001). He also concludes that the university's structure will enable development of the university into a learning organisation, but a prerequisite for that is to be open, have more cooperation and teamwork.

As mentioned above, many authors use just Senge's concept of learning organisation and develop that further. Martin (1999) has also used in his work Senge's disciplines of the learning organisation and raises the question of universities' desire to become learning organisations.



# University as a Learning Organisation

- **Ingela Portfelt**, in her doctoral thesis *The University; a Learning Organisation?*, defended in 2006 at Karlstad University, raised two research questions. The first concerned the way the organisational structure of a university fulfils theoretical model criteria of the learning organisation. The second was to find how the characteristics of an organisation interact with one another and whether they support or hinder organisational learning. As knowing the culture and structure of the university are qualities of a learning organisation the author raised the question how and in which way to learn to know the culture and structure of the university.

The main conclusion was that the internal structure of the university does not match with the theoretical model criteria of a learning organisation (Portfelt 2006).



# WATKINS and MARSICK`s dimensions of the learning organisation

- This paper seeks to evaluate the characteristics of university as a learning organisation based on the theory of Watkins and Marsick. The author examines in greater detail Watkins' and Marsick's model of the learning organisation, which they used to write the Dimensions of the Learning Organisation Questionnaire and what the author of this paper is using to conduct her survey at TSEBA.
- K. E. Watkins and V. J. Marsick are the only theoreticians (Yang et al. 2004: 35) who analyse an organisation at three levels: individual, team and organisational.
- They identified seven distinct but interrelated dimensions of a learning organisation at the three levels. Each dimension has its own criteria.



# WATKINS and MARSICK`s dimensions of the learning organisation

- Many later researchers of the learning organisation have used in their research just Watkins' and Marsick's questionnaire. It is a structured questionnaire that fits well with P. Senge's theory of the learning organisation and has been internationally tested. The authors of the questionnaire also give to the respondents an immediate comparative feedback from the first to 43<sup>rd</sup> question in the internet.
- The questionnaire asked employees' opinion about learning at the organisation from three aspects: individual level, team level and organisational level. For these three levels there are comparative data of an international survey by K. E. Watkins and V. J. Marsick



# Methods of analysis

- The sample of the questionnaire was the managerial staff, faculty and administrative personnel of TSEBA. The survey was conducted between 1 March and 31 March 2010.
- The questionnaire was sent to employees by e-mail and they were asked to complete the questionnaire electronically; it was also possible to complete it on paper.
- The employees were asked to respond in a six-point scale where one signified almost never and six almost always.



# Results

- This section presents and analyses the questionnaire survey results conducted among TSEBA staff, teaching and research staff and managerial staff.
- By way of generalisation it can be said that TSEBA workers assessed the learning organisation criteria of their organisation much higher (average 3.81) than the international survey scores (average 3.36).
- All seven dimensions of the learning organisation have received higher scores than the international average: provide continuous learning opportunities (3.93); foster inquiry and dialogue (3.97); promote collaboration and team learning (3.78); create systems to capture and transform learning (3.33); foster movement toward a collective vision (3.64); connect the organisation to its external environment (3.74) and provide strategic leadership for learning (4.24).



## K. Watkins and V. Marsick's Learning Organisation Questionnaire

<b>Individual level</b>	
1	In my organisation, people openly discuss mistakes in order to learn from them
2	In my organisation, people identify skills they need for future work tasks.
3	In my organisation, people help each other learn.
4	In my organisation, people can get money and other resources to support their learning.
5	In my organisation, people are given time to support learning.
6	In my organisation, people view problems in their work as an opportunity to learn.
7	In my organisation, people are rewarded for learning.
8	In my organisation, people give open and honest feedback to each other.
9	In my organisation, people listen to others' views before speaking.
10	In my organisation, people are encouraged to ask "why" regardless of rank.
11	In my organisation, whenever people state their view, they also ask what others think.
12	In my organisation, people treat each other with respect.
13	In my organisation, people spend time building trust with each other.



### Team or group level

14	In my organisation, teams/groups have the freedom to adapt their goals as needed.
15	In my organisation, teams/groups treat members as equals, regardless of rank, culture, or other differences.
16	In my organisation, teams/groups focus both on the group's task and on how well the group is working.
17	In my organisation, teams/groups revise their thinking as a result of group discussions or information collected.
18	In my organisation, teams/groups are rewarded for their achievements as a team/group.
19	In my organisation, teams/groups are confident that the organisation will act on their recommendations.

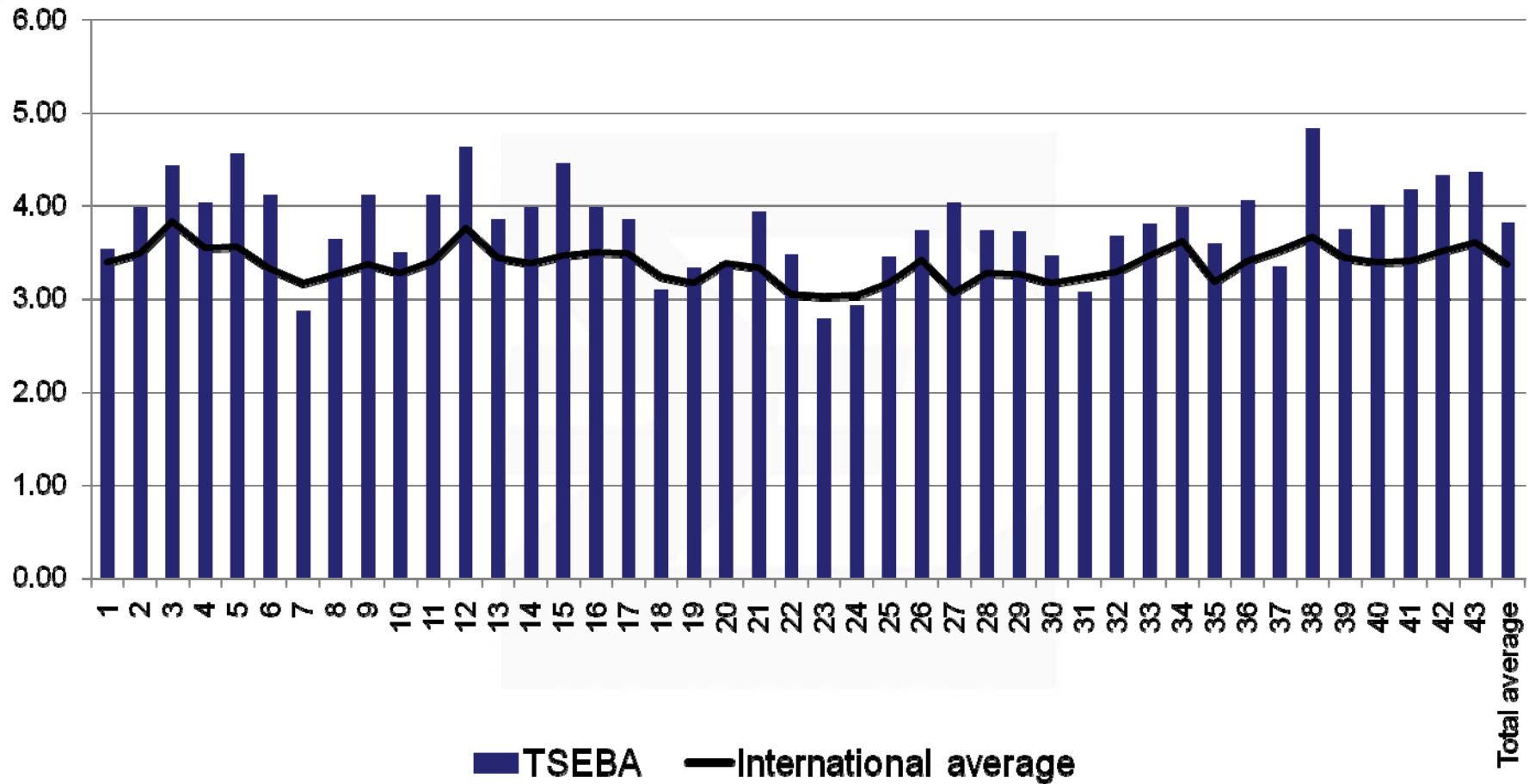


## Organisational level

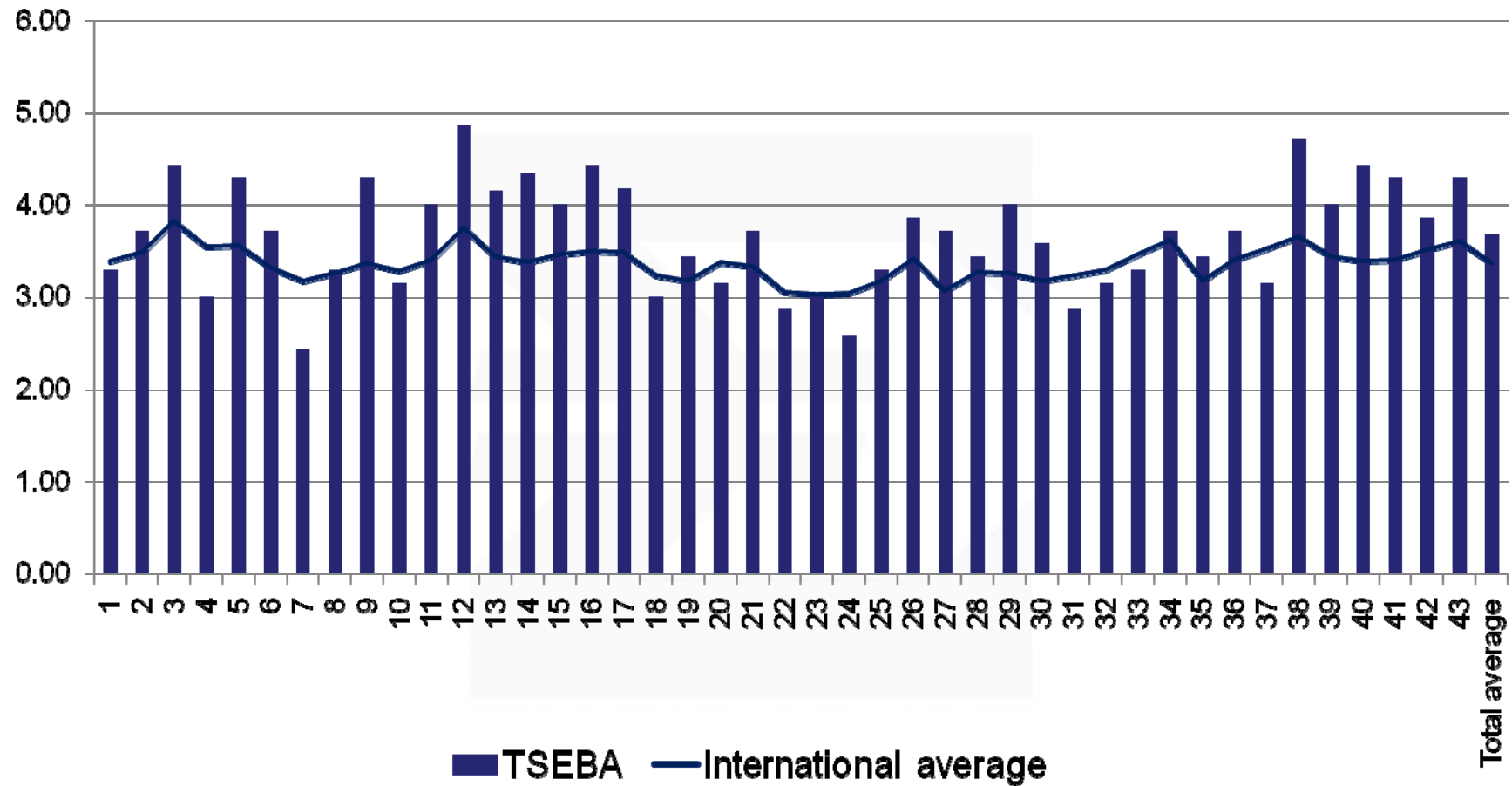
20	My organisation uses two-way communication on a regular basis, such as suggestion systems, electronic bulletin boards, or town hall/open meetings.
21	My organisation enables people to get needed information at any time quickly and easily.
22	My organisation maintains an up-to-date data base of employee skills.
23	My organisation creates systems to measure gaps between current and expected performance.
24	My organisation makes its lessons learned available to all employees.
25	My organisation measures the results of the time and resources spent on training.
26	My organisation recognises people for taking initiative.
27	My organisation gives people choices in their work assignments.
28	My organisation invites people to contribute to the organisation's vision.
29	My organisation gives people control over the resources they need to accomplish their work.
30	My organisation supports employees who take calculated risks.
31	My organisation builds alignment of visions across different levels and work groups.
32	My organisation helps employees balance work and family.
33	My organisation encourages people to think from a global perspective.
34	My organisation encourages everyone to bring the customers' views into the decision making process.
35	My organisation considers the impact of decisions on employee morale.
36	My organisation works together with the outside community to meet mutual needs.
37	My organisation encourages people to get answers from across the organisation when solving problems.
38	In my organisation, leaders generally support requests for learning opportunities and training.
39	In my organisation, leaders share up to date information with employees about competitors, industry trends, and organisational directions.
40	In my organisation, leaders empower others to help carry out the organisation's vision.
41	In my organisation, leaders mentor and coach those they lead.
42	In my organisation, leaders continually look for opportunities to learn.
43	In my organisation, leaders ensure that the organization's actions are consistent with its values.



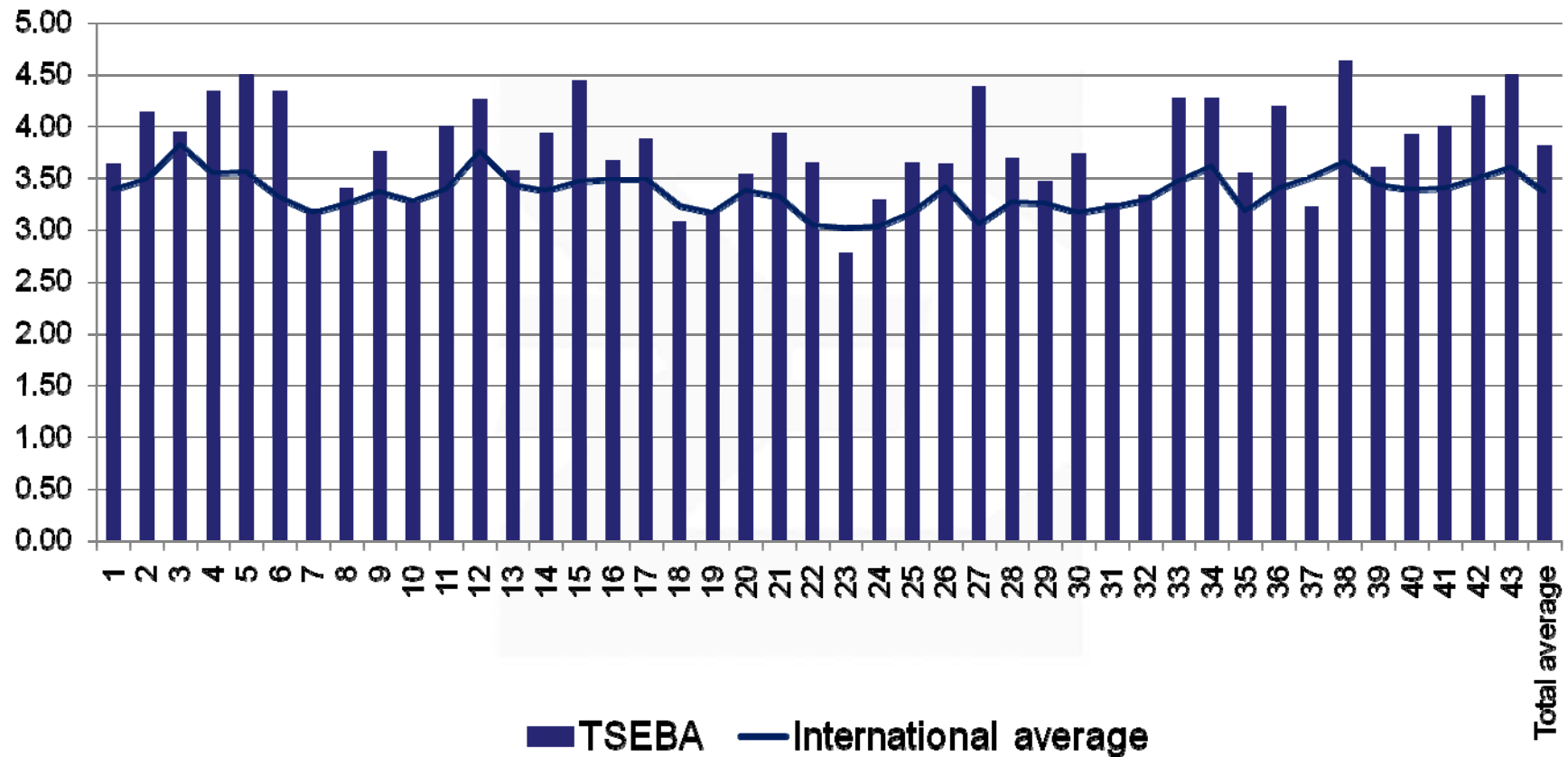
## Average of characteristics by TSEBA employees



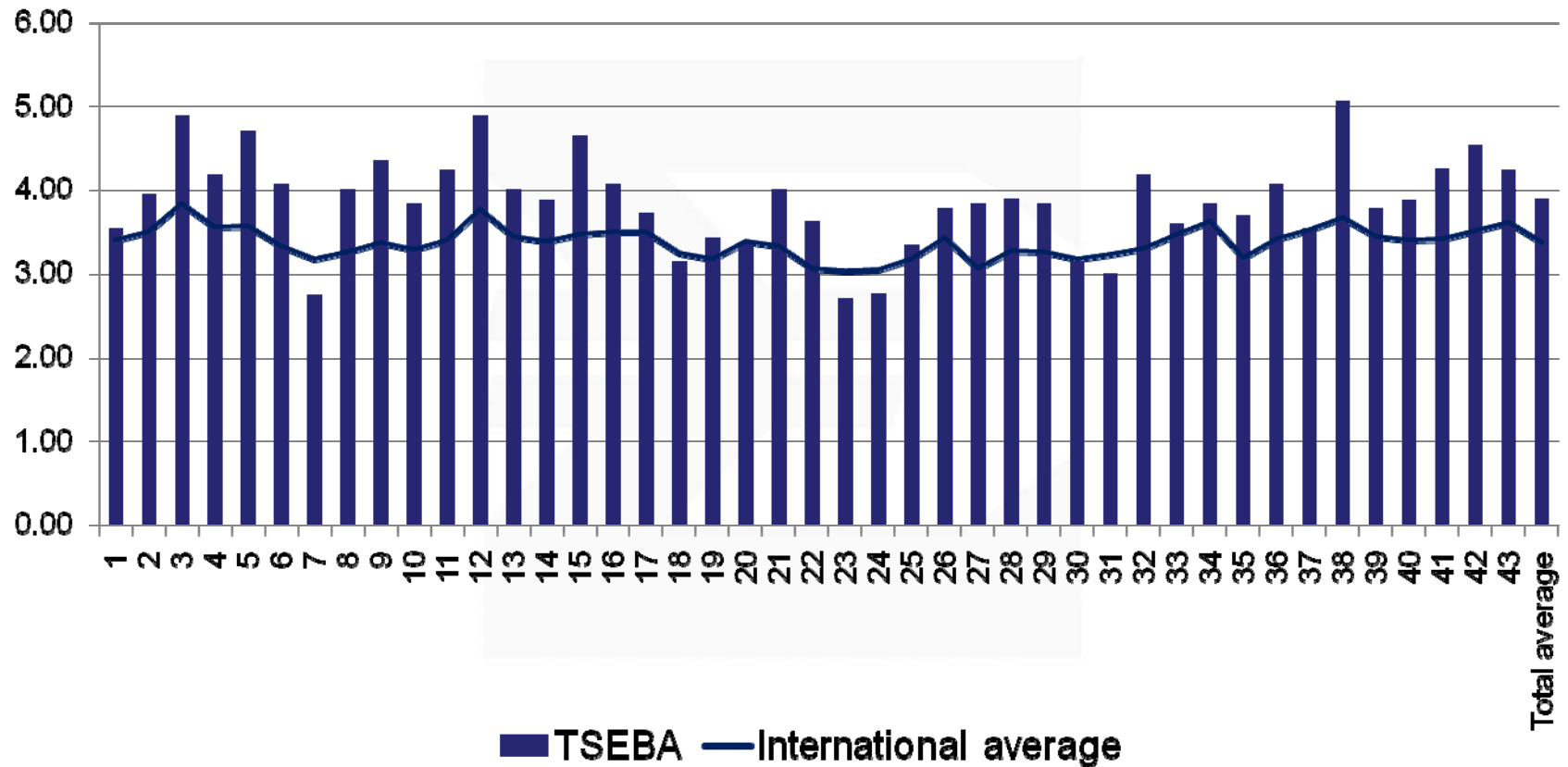
## Average of characteristics by TSEBA managerial staff



## Average of characteristics by TSEBA teaching and research staff

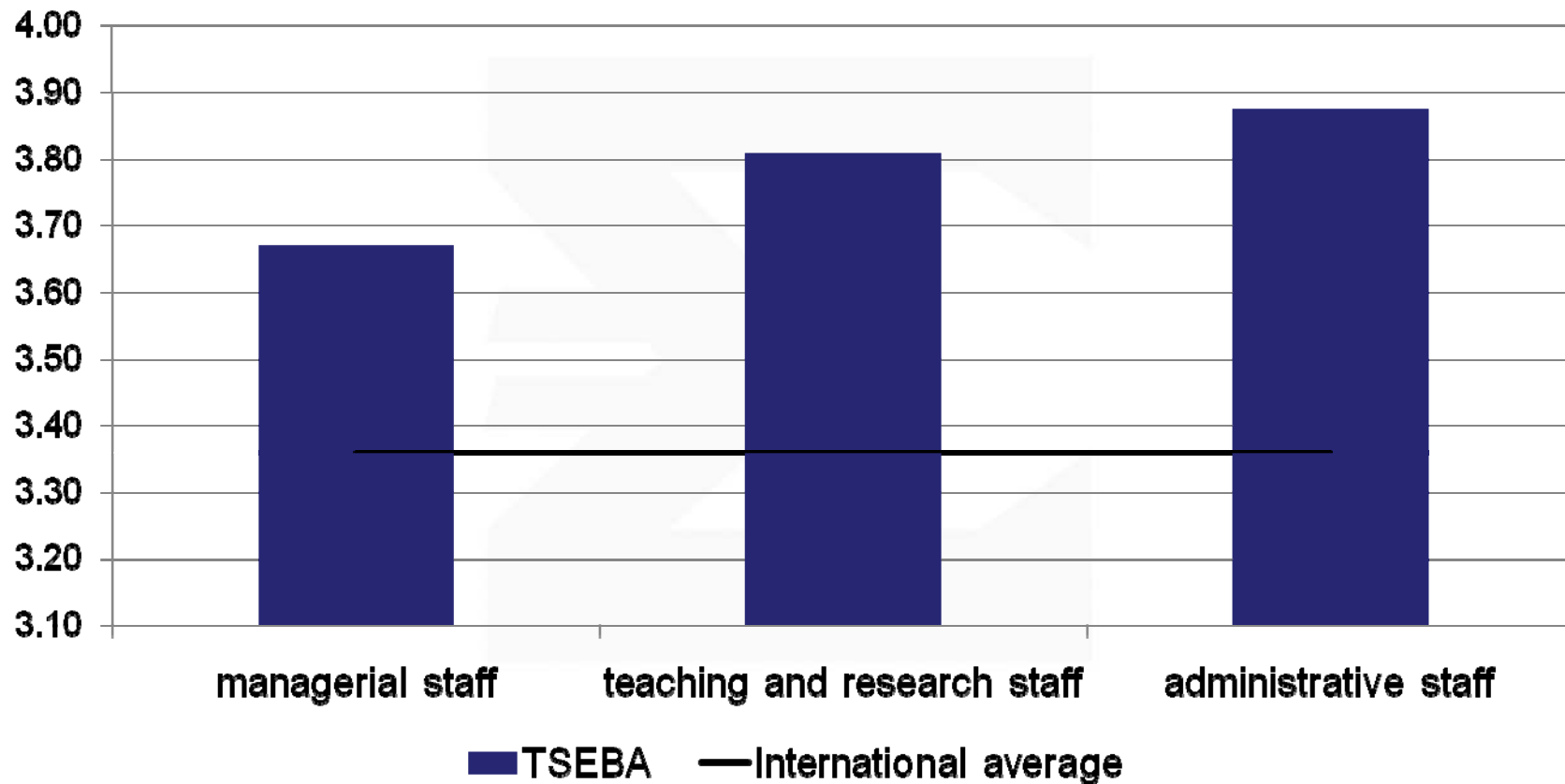


## Average of characteristics by TSEBA administrative staff



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## Average by groups of employees



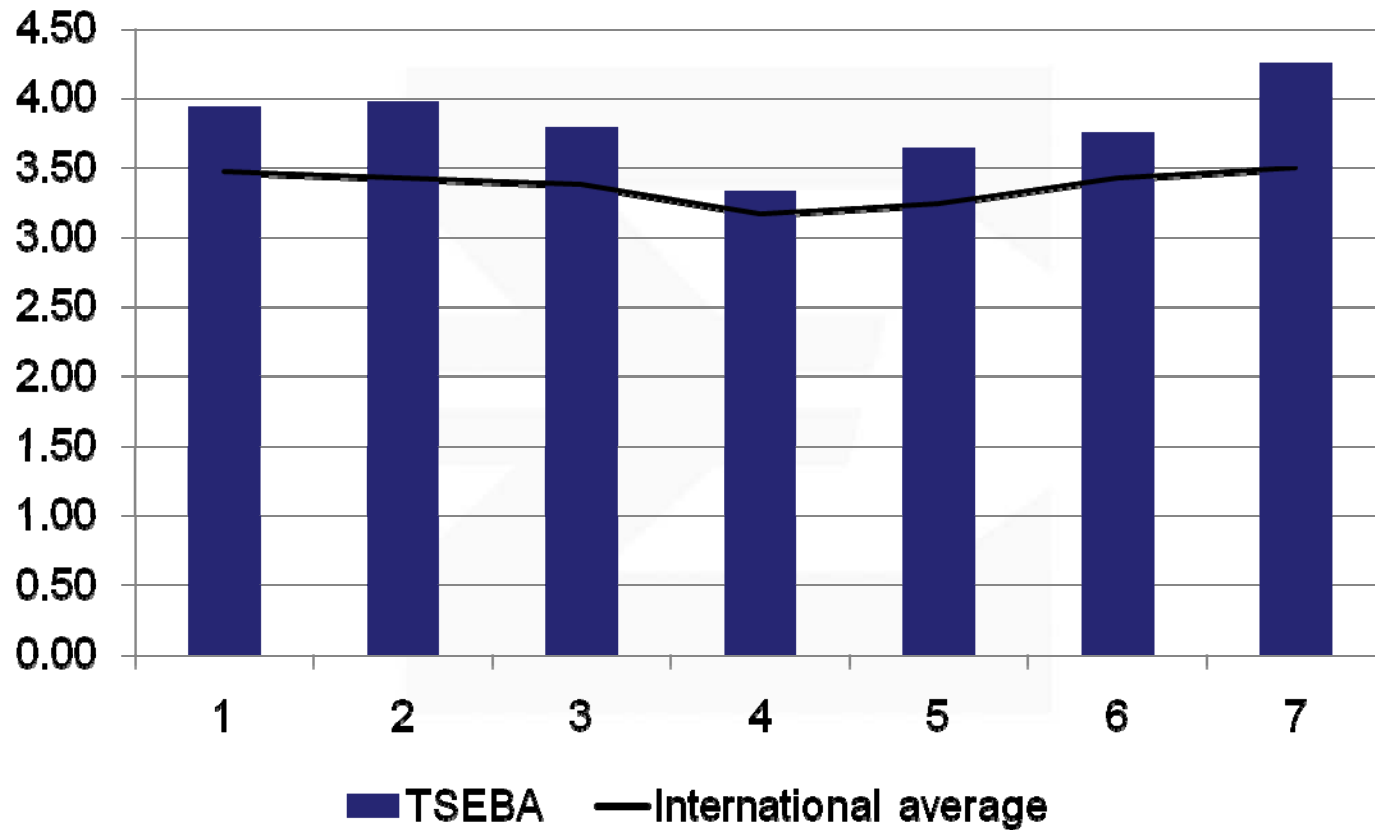
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## Average by groups of employees

	TSEBA	International average
managerial staff	3,67	3,36
teaching and research staff	3,81	3,36
administrative staff	3,87	3,36



## Average of dimensions by TSEBA



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# Results

Seven dimensions of the learning organisation	TSEBA	International average
1. provide continuous learning opportunities	3,93	3,46
2. foster inquiry and dialogue	3,97	3,41
3. promote collaboration and team learning	3,78	3,37
4. create systems to capture and transform learning	3,33	3,16
5. foster movement toward a collective vision	3,64	3,23
6. connect the organisation to its external environment	3,74	3,41
7. provide strategic leadership for learning	4,24	3,49



# Results

## Average of dimension

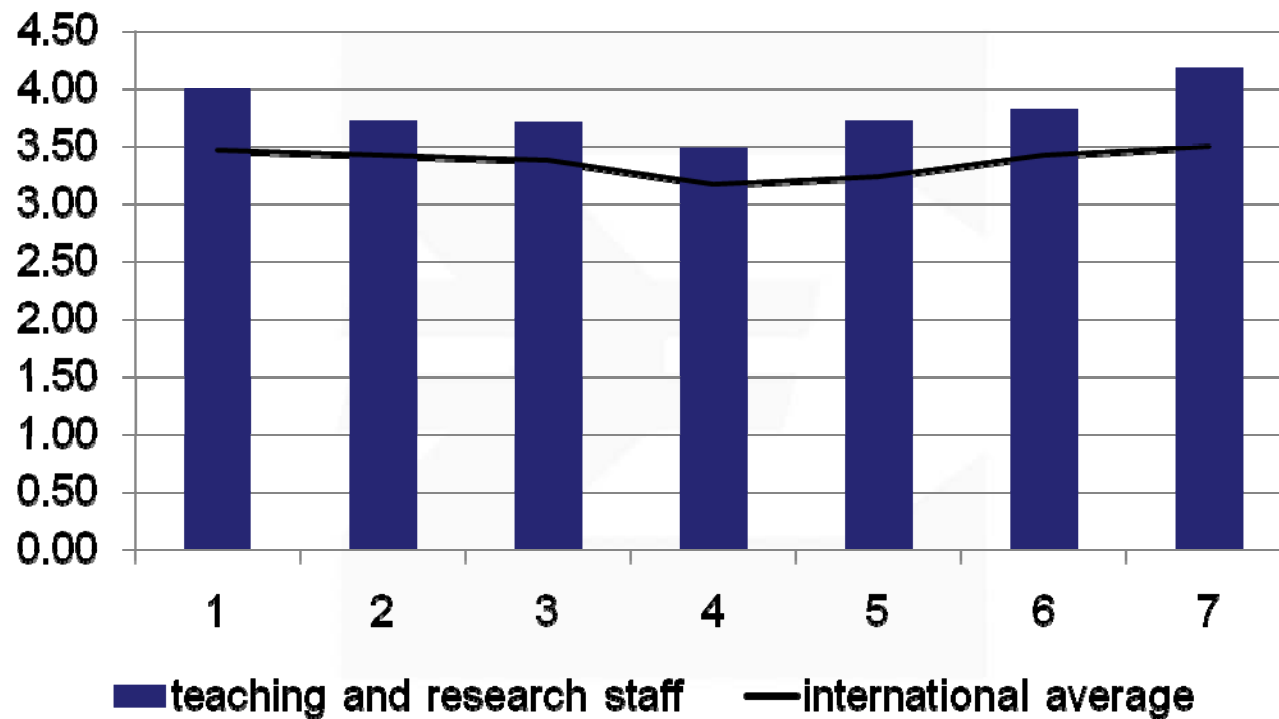
1. provide continuous learning opportunities TSEBA 3.93; Int. aver. 3,46
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3. promote collaboration and team learning TSEBA 3.78; Int. aver. 3,37
4. create systems to capture and transform learning TSEBA 3.33;  
Int. aver. 3,16
5. foster movement toward a collective vision TSEBA 3.64;  
Int. aver. 3,23
6. connect the organisation to its external environment TSEBA 3.74;  
Int. aver. 3,41
7. provide strategic leadership for learning TSEBA 4.24; Int. aver. 3,49



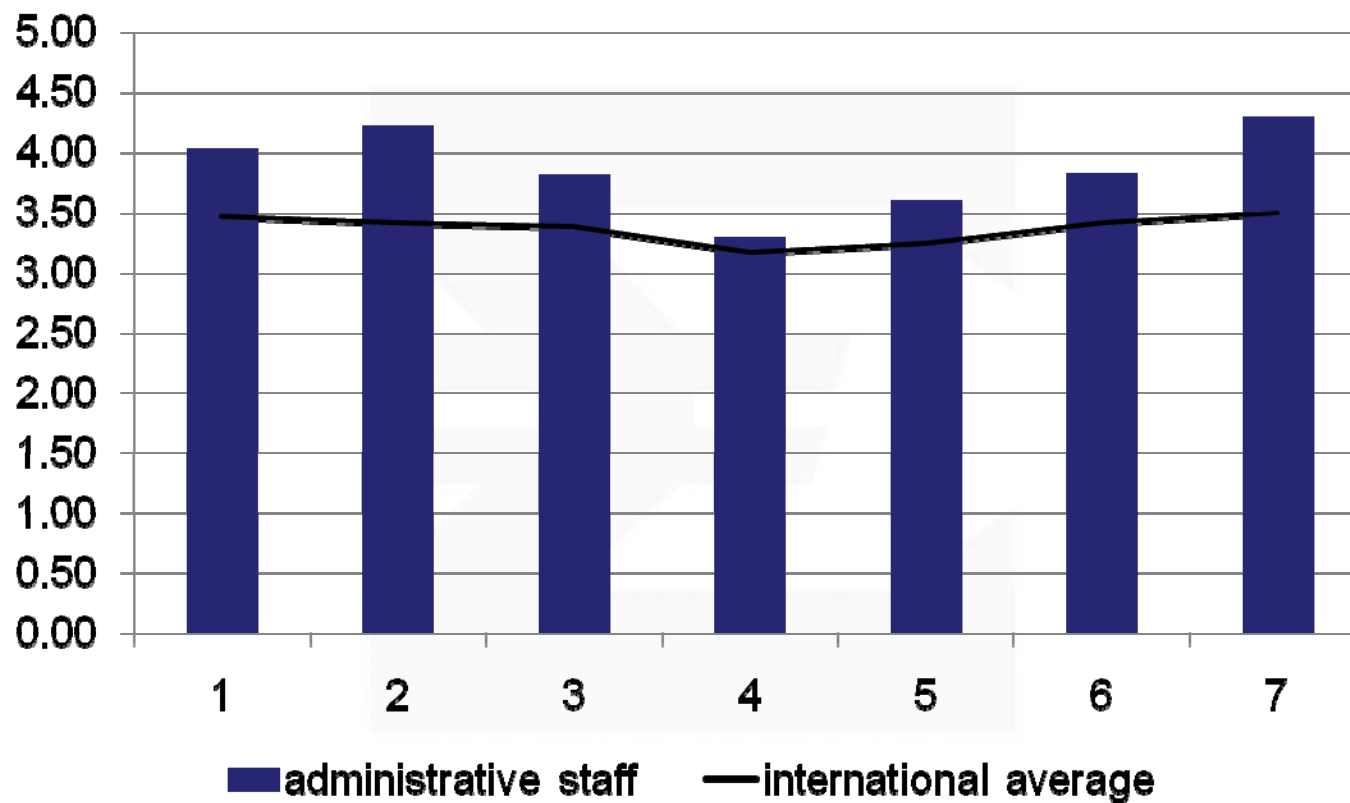
### Average of dimensions by managerial staff



## Average of dimensions by teaching and research staff



## Average of dimensions by administrative staff



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## Average of dimensions by groups of employees

Dimension	Groups of employees			International average	% from international average		
	1	2	3		1	2	3
1. provide continuous learning opportunities	3,55	4,01	4,03	3,46	102,6	115,9	116,3
2. foster inquiry and dialogue	3,95	3,71	4,22	3,41	115,9	108,9	123,7
3. promote collaboration and team learning	3,88	3,71	3,81	3,37	115,0	110,0	113,2
4. create systems to capture and transform learning	3,10	3,48	3,29	3,16	98,0	110,2	104,0
5. foster movement toward a collective vision	3,57	3,71	3,60	3,23	110,6	114,9	111,4
6. connect the organisation to its external environment	3,40	3,82	3,82	3,41	99,8	112,0	111,9
7. provide strategic leadership for learning	4,26	4,17	4,29	3,49	122,1	119,5	123,0



**Thank you for your attention!**



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