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İNGİLİZCE İŞLETME ANABİLİM DALI
MANAGEMENT & ORGANIZATION**

LEARNING ORGANIZATIONS

CASE STUDY - ROVER

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İSTANBUL 2005

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INTRODUCTION

I choose this case study because I foresee that the learning organizations are very important for future of management applications in Turkey in the near future.

Learning organization is a way of existence (for individual and for collective life) in which learning how to learn becomes a center attitude interacting upon systems, processes and other entities (of both individual and organizational levels) to expand (their) potentialities toward maximum actualization.¹

The concept of organizationwide learning can be traced in the research literature as far back as the 1940s. However a few companies began realizing the potential power of corporate learning in increasing organizational performance, competitiveness, and success by 1980s.

"No problem can be solved from the same consciousness that created it; we must learn to see the world a new."

Albert Einstein

There are new problems won't be able to be solved using the same structures, mindsets or knowledge that had worked for organizations in the past. There is a increasing awareness that the knowledge, the strategies, the leadership, and the technology of yesterday will not lead to success in tomorrow's world. Companies have to increase their corporate capacity to learn if they are to function well in an continuously changing environment and evolve into a higher form of learning capability, to be able to learn better and faster from their successes and failures, from within and from outside.

As is the case of many evolutionary processes, the process of adaptation and learning did not acquire enough transmutation to sustain long-lasting change for some companies. They were not fully prepared to give up the security of their present size and

¹ Tülay BOZKURT, Learning Organizations: Development Of A Reference Model. Lecture Notes, Marmara Üniversitesi Orgüttsel Davranı Ana Bilim Dalı, Marmara Üniversitesi Sosyal Bilimler Enstitüsü, stanbul, 2000.

successes, to fully and systematically metamorphose into the new species of a learning organization.

Some drivers force companies to become a learning organization are as follows:

Globalization. Many companies are manufacturing and selling mainly outside their country of origin. Globalization represents the converging of economic and social forces, values, and opportunities. Travel, trade, and television have laid the groundwork for a more collective experience of employees everywhere. World became smaller. The English language, which like all other languages carries culture and social values, has become the global language of media, computers, and business.

Economically, a single global marketplace has been created by five factors: abundant energy sources, competitiveness of global corporations, global telecommunications (enhanced by fiber-optics, satellites, and computer technology), growing free trade among nations, and worldwide accessible financial services.²

The Knowledge Era. According to leading futurists and business leaders, we have clearly entered the knowledge era; the new economy is a knowledge economy. Knowledge provides the key raw material for wealth creation and is the fountain of organizational and personal power.

Information is created continuously in every corner of the globe, and doubles every three to four years. Brainpower is becoming a company's most valuable asset. Every company depends increasingly on knowledge—patents, process, management skills, technologies, Information about customers and suppliers, and old-fashioned experience....This knowledge that exists in an organization can be used to create differential advantage. in other words, it's the sum of everything everybody in your

² MARQUARDT, Michael, J., Building the Learning Organization. McGraw-Hill, ISBN: 0070405344, 1996.

company knows that gives you a competitive edge in the marketplace." in most companies the management of intellectual capital is still uncharted territory.³

I will base on literature survey mostly depending on academic works and lecture notes. in order to be contemporary at the references side I study deeply European Consortium for the Learning Organization ECLO 11 th Annual Conference regarding the date of study Turkey is a candidate to European Union.

³Angela NOBRE, "Semiotic Learning", Concepts, Leadership in Learning. European Consortium for the Learning Organization ECLO 11 th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004, <http://www.eclo.org/conferences/2004/downloads/dublinpapers/AngelaNobre.doc>

CASE STUDY - ROVER

Rover (a worldwide known automotive company) is chosen as the case⁴ to be handled in this study. In the late 1980s Chairman of Rover Group recognized the rapidly changing environment of the automotive world—global competition, new technological advances, inadequately prepared employees, and customer demand for quality. From that date on Rover started a move to become a learning organization to strengthen its position in world markets and it became a successful one in this journey.

This success story depends mostly on Rover's becoming a learning organization. Rover case is evaluated below for its confirmation of compliance with the Reference Model of the Learning Organizations.⁵ There may be other modes as well⁶. The information and data of Rover case shall be gathered from the results and reports of others, those are published. These sources can be said that they are secondary sources, like they are collected in the literature survey carried.

The Reference Model is a valuable guide book for managing how to become a learning organization. However besides this paramount value of it, it also puts forward points of references for checking whether a particular said learning organization is really a learning organization.

Taking the Reference Model the Rover case is comparatively checked below for its compliance of being a learning organization. The comparison will also yield where Rover data is either missing or makes the Rover inadequate in its journey to become a learning organization.

⁴ Unless otherwise not indicated main corps of the case study is taken from:

MARQUARDT, Michael, J., Building the Learning Organization, McGraw-Hill, ISBN: 0070405344, 1996.

⁵ Tülay BOZKURT, Learning Organizations: Development Of A Reference Model, Lecture Notes, Marmara Üniversitesi Örgütsel Davranış Ana Bilim Dalı, Marmara Üniversitesi Sosyal Bilimler Enstitüsü, İstanbul, 2000.

⁶ Daniel BELET, "Implementing LO Development Process within a Company, a Key to Operational Success", Leading Strategic Learning, Leadership in Learning, European Consortium for the Learning Organization ECLO 11th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004, <http://www.eclo.org/conferences/2004/downloads/dublinpapers/DanielBelet.doc>

READINESS

The first block of reference in the Reference Model to be handled is Readiness Level. The importance of this block is not only its points of references in being ready to become a learning organization but also their integration into the model in its proceedings.

Readiness refers to the extent to which a follower has (1) the ability and (2) willingness to accomplish a specific task. This is firstly related mostly to the individuals because without people being ready to learn, organizational learning can not take place. The second important point is this that readiness dynamics of individuals working in the company gives important management clues to the managers in managing them.

Plotting a grid made of two axes may determine the success factors as well. These two axes are labeled as follows:

- Psychological contract with learning
- Need for learning. Psychological contract with learning in Rover:

Although the model will run for Rover as its whole organization the individuals at the top management shall be taken firstly. Detailed data for every individual regarding psychological contract with learning is missing and can only be gathered by a field study. However by looking at the proceedings in other blocks of the Reference Model and the resulting findings depict that there is such a study.

The term psychological contract implies an initial process to have an inner harmony about all the changes that will take place at organizational and individual level in the process of learning. The model proposes the building psychological contract requires clarification of the following issues may serve for clear understanding (in mostly for the initiators of the model like trainers, consultants, managers, etc.) in:

"Why learning is necessary for the people involved";

"How learning will take place";

"Why people in the organization can not maximize their learning capacities, maintaining their present inner situation" (mindsets, assumptions, ways of reasoning etc.)

Individuals gain insights about critical orders and cognitive mindsets which are usually outside their conscious awareness; make them appear and challenge them so as to adopt alternative ways of thinking. In other words they establish an inner commitment to liberate from previously learnt information and get ready to learn how to learn along this process.

This insight improvement process is curative in nature and trainers, consultants or top managers specifically trained for this purpose may take part in helping people building psychological contract with "the initial learning process". In some cultures this initial process last longer because of high resistance and may even result in failure of initialisation. Those organisations failing in learning by taking "organizational learning disability" generally stemming out from fundamental flaws in organization design and management, poor job design and deficiencies in the ways people in those organisations think and interact.⁷ In some other cultures, the cultural background of people may shorten the process and gives organizations a good sense of starting power to go along in the path of learning with less breaks by interventions.

Efforts of Rover are started by the individuals at the top management. As company, Rover organized a framework for initialisation process made of three entities: Rover Learning Business (RLB) at the corporate domain and Rover Employee Assisted Learning (REAL) at the individual domain and a connection entity GLEN Group Learning Exchange Network.

Top management of Rover is fully committed in corporatewide learning. They realized that it was important for them to demonstrate their commitment to the concept

⁷ Steve POSTER & Silvio De BONO, "Antecedents and Components of Organizational Learning", Concepts, Leadership in Learning, European Consortium for the Learning Organization ECLIO 11th Annual Conference, Dublin, Ireland, 24-25 May " 2004; 22.05.2004, <http://www.eclo.org/conferences/2004/downloads/dublinpapers/SteveFoster.doc>

of a learning organization both through role modeling and clear support. The first action illustrating this commitment was for each member of the Rover Group board of directors to also serve and actively participate as a member of the board of governors of Rover Learning Business.

The board and top managers have indeed undertaken a number of learning leadership roles, such as:

- Sponsoring corporate learning events
- Promoting line managers who demonstrate a commitment to learning
- Funding employees who want to learn something outside their normal job responsibilities
- Leading learning processes and programs from the front of the classroom, thereby acting as role model
- Championing leadership learning programs
- Giving recognition for learning achievements at all levels as part of the motivation process

From this point on Rover put forward the importance and its need for learning as a top-down approach. As stated previously; one of the three important entities RLB is launched by Rover by announcing. This launch emphasizes the need psychological contract for learning at the top management level. Establishing psychological contract needs focusing on three factors. These factors, which influence upon individual and organizational outcomes at unconscious level, are

- o cultural assumptions
- o mental models and
- o personal mastery

Taken available resources as important substances cultural assumptions are developed. Since people look up better ways to cope with their environments more effectively resources are paramount in this process. In case, those particular ways have been left as the only stable and obvious solution to continuous problems it will

gradually disappear from consciousness and become "taken for granted" or "a priori" or even "ritual"⁸ ways of doing things. So they lead to biases.

One of the disadvantages of top-down approach may appear here. What are taken for granted by the top management become the corporate rules then it will function well where stating that the company is democratic, participative. It will only be a symbolic phrase, as it will be mentioned at below sections (seven fundamental beliefs about organizational learning of top management), that management does not have all the answers.

Without even being aware of it, people transfers national cultures to organizational environments, and influence the formation of corporate culture exclusively. Therefore cultural assumptions of a nation where a company based should be considered inside of that organizational system. In line with the philosophy of learning, Cultural assumptions those individuals learn from their native cultures prepare media either to ease or to make difficult the development of a corporate culture. The most agreed taxonomy of these assumptions are:

- Relations with the others; the ways in which human beings deal with each other,
- Relations with time; the ways in which people relate to past, present and future,
- Relations with nature; the ways in which people relate to their environment.

By looking at its mono-cultural approach the Rover case is lack of international approach. This may cost to Rover in its disability to work with foreigners as employees, suppliers, customers etc... We will repeatedly emphasize along this study the weakness of multi-cultural approach of Rover case. It would be too idealistic to expect people to change or reorganize their cognitive maps, rooted in their national culture, over some subsequent sessions. Nevertheless this is considered as a crucial process in the model,

⁸ Philippe HADRIDGE & Caroline CORRIGAN, "Exchange Methodology", Learning Process Innovation, Leadership in Learning, European Consortium for the Learning Organization ECLo 11 th Annual Conference, Dublin, Ireland, 24-25 May; 22.05.2004, <http://www.eclo.org/conferences/2004/downloads/dublinpapers/PhilipHadridge.ppt>

addressing the importance of so called "soft facts" (every thing that produces cognitive and emotional meaning in organizations like culture) in institutionalizing learning in organizations, as a way of life. Therefore transforming organizational culture which is an ongoing process, is of primary value as such should be traced and managed deliberately.

Mental models are the derivatives of cultural assumptions representing a personal view of the world and are the facts created by the mind with outcomes of sooner observations, and past time experiences. They could cause big losses in the business world as it can also prevent people from seeing the current situation. Lack of multi-cultural approach and top-down approach is at a disadvantageous stage if we further consider the techniques in dealing with mental models as follows:

- Leaps of abstraction involves showing people how concluding facts about events or people's characteristics with observing than generalizing clues without testing them, mislead to wrong decisions.
- Left hand column consists of exercises surfacing one's hidden assumptions about the others' behaviors that cause psychological barriers in communication.
- Balancing inquiry and advocacy is a remedy to a mental model which comes in effect when advocacy without inquiry between two people ends up in vicious circle.

British Rover and its top managers should be in risk of mentally mismodeled. They may need to unlearn their traditional and feudal culture.

Personal Mastery is one of the strong parts of Rover case. Personal Mastery enables:

1. To define the goal and its distance⁹ (where one is currently functioning and where one wants to be) called as creative tension. Creative tension provokes a creative drive to change the present unsatisfied situation.

2. To possess a clear concept of current reality without biases and misconceptions.

Because of mono-cultural and top-down approach Rover case is under risk of the second point above mentioned. However the more mechanic feature mentioned in the first point above mentioned is heavily emphasized in the Rover case.

In summary:

• How much of "initial analysis" (cultural assumptions, mental models, personal mastery) have been brought out into reality and shared with the participants?

it is found out that only the goal and its distance is studied well in the Rover case. The rest is full of risk.

• How much of these confrontations are accepted psychologically by the participants?

Since it is top-down approach it is officially ordered to become a learning organization. it is much well understood that the level of commitment at the top management level can be quite strong. However the shop floor may be under great risk.

• How eager and committed do they seem to challenge their way of thinking and ready to survive in a continuously changing environment with the new modes of solving problems?

⁹ Inger BUUS & Gilte NIELSEN, "The Strategic Imperative of Accelerated Learning", Learning Process Innovation, Leadership in Learning, European Consortium for the Learning Organization ECLO 11th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004, <http://www.eclo.org/confercnccs/2004/downloads/dublinpapers/BuusNielsen.ppt>

They are quite famous in their putting details of how they want to become a learning organization. They structurally took necessary steps and establish three important entities: RLB, REAL and GLEN.

Need for learning in Rover:

Measurement of need for learning is of strategic importance for organization because it gives organizations a chance to develop and control organizational learning processes in accordance with the requirements of external and internal environment. Through this process, organizations make systematic decisions about which part of the internal system they should focus in order to strengthen individual and collective learning. The model defines components influencing needs for learning, as external and internal environment. The components of external environment consists of customer, suppliers, socio-political structures, competitors, and technological concerns. internal environment consisting of decision support (formal and informal¹⁰ decision tools); organizational structure (shape of organization, power relations, degree of centralization etc.); management systems (formal planning and control processes, operating procedures, reward systems, policies and strategies etc.) individual behavior (informal interactions, motivations, needs, perceptions etc.) and corporate culture (tangibles, formal and informal norms and values, assumptions)

The interaction between the components of external and internal environment is important:

• A changing trend in any of the components in external environment stimulates need for learning within the organization.

As we are that "as a minnow among whales, Rover would be swallowed up if it stood still," Rover top management decided that Rover had no choice but to become a learning organization.

¹⁰ Anita PICKERDEN, "informal Learning as a Dimension of Learning at Work", Learning Process Innovation, Leadership in Learning, European Consortium for the Learning Organization ECLO 11th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004, <http://www.eclo.org/conferences/2004/downloads/dublinpapers/AnitaPickerden.doc>

• A change in one of the internal components influences other internal elements in a continuous learning cycle.

"People need to be valued" principle mentioned below in the seven fundamental beliefs about learning of Rover top management.

The interactions between external-internal environment do not always trigger a continuous learning cycle that proceeds smoothly. Therefore it is important to locate blockages and focus on these areas to bring resolutions in the following phases:

- Analyzing changing trends in each of external components
- Analyzing position of organization against these external forces
- Analyzing the effects of changing trends on the internal environment.

Such analysis can not be conducted nor traced in the secondary data for Rover case. However it is quite traceable in Rover case that the definitions and content of external or internal components are not very clear and wide in coverage. For example, competitors, socio-political component are not studied in adequate depth. Technological component on the other hand is studied as a constant factor, not as a factor continuously affecting the learning in Rover case.

An overall assessment of these factors gives impressions to the change agents (top managers, trainers, consultants) about the level of need for learning ranging from high to low.

The Reference Model proposes also that organizational learning carries some risks of failure which could be managed to a certain extent; by an initial analysis of fore mentioned variables before formally make investment practicing it. This can be done by integrating the concepts on grid previously mentioned.

For a conscious learning, followings show that Rover is eager to learn, that is in big need for learning.

The first step chosen was to create Rover Learning Business (RLB) as a distinct entity within the company itself. At the launch of RLB in May 1990, Sir Graham Day

noted, "As a company we desperately need to learn." And on that day, Rover served notice to its employees and to the world that corporatewide learning would become the cornerstone for Rover's survival and return to success.

The role of RLB was (and still is) to provide the processes, the resources, and the motivation for the entire company to learn. Its mandate is to ensure that learning is part of every individual's and unit's job and that the learning process is a mainstream activity with Rover—recognized as it should be, as one of the most significant contributors to the company's prosperity. Through RLB's nurturing and encouraging of companywide learning processes, Rover would benefit from the constantly growing pool of experience and knowledge gained by individuals, teams, and departments.

The key thrusts of Rover Learning Business (RLB):

1. Associate encouragement and contribution. To stimulate, encourage, and provide ease of access for all associates to "climb the learning ladder" in order to develop themselves and enhance their contribution to team objectives.
2. Learning process. To provide leading-edge learning processes, supported by innovative tools, techniques, and materials for achieving major business changes.
3. Corporate learning. To lead and facilitate the design, development, sharing, and deployment of best-practice corporate learning based upon internal and external benchmarking.
4. Extended enterprise. To support the business objectives of dealers and suppliers with learning support and collaboration¹¹ to facilitate world-class activities.

¹¹ Lindsey RYAN, "Learning by Collaboration", Leading Strategic Learning, Leadership in Learning, European Consortium for the Learning Organization ECLO 11th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004, <http://www.cclo.org/conferences/2004/downloads/dublinpapers/LLyndsayRyan.ppt>

5. World-class image. To achieve "world best-in-class learning company" by the end of 1995, RLB must lead in the creation and support of this perception through internal and external Communications and public relations.

The inauguration of the RLB marked the beginning of what Rover people now call a true revolution within the company. The company began changing from a slow-moving, slow-learning, lumbering organization into an agile, fast-learning, dynamic "success through people" company. The learning culture quickly began to take root.

It can be concluded that Rover was in great need of learning and its top management is quite eager to learn and committed to make their other company members and corporate associates learn.

CORE PROCESSES and THE LEARNING WHEEL

There are four basic processes in every organization system in two different levels: (1.a) Policies and (1.b) operational organizational level; and (2.a) thinking and (2.b) doing at individual level.

Policies and operations:

Policies form a circle about strategies, rules, norms and other control, decision making and maintenance mechanisms within which the organization operates towards its objectives. Operations are the implications of task procedures derived from policies and strategies.

Thinking and doing:

Thinking encompasses reinterpretation of policies and strategies by individual(s). It then covers the perception of climate of organization which consequently is reflected on real "doing" what is called the work behavior itself.

In Establishing Corporate Vision and Beliefs about Learning at Rover, Rover leadership believed that learning would power the company to world-class levels of –

performance and enable it to be internationally renowned for extraordinary customer satisfaction. To show its commitment toward becoming a learning organization, Rover sought to establish a total-quality culture built on seven fundamental beliefs about organizational learning.

Seven fundamental beliefs about organizational learning:

1. Learning is the most natural human instinct.
2. Creativity, involvement, and contribution are fueled by learning and development.
3. Everyone has two jobs—the present job and improving that job.
4. People own what they have created.
5. People need to be valued.
6. Creativity and ingenuity are widely distributed and grossly underused.
7. Management does not have all the answers.

These principles are utmost Rover-centric and have less contact with external realities.

Rover also developed several definitions for determining what being a learning organization would mean for Rover:

A place where inventing new knowledge is not a specialized activity...it is a way of behaving, indeed a way of being, in which everyone is a knowledge worker.

A company in which learning and working are synonymous; it is peopled by colleagues and companions rather than bosses, subordinates and workers; and both the inside and outside of the company are being continuously searched and examined for newness.

A company that monitors and reflects upon the assumptions by which it operates. it is in touch with itself and its environment and thereby adapts and changes as a matter of course, rather than traumatically, as in a crisis.

The need for learning for individuals (associates) in Rover has some principles as follows:

In their learning activities Rover associates seek to accomplish three goals: (1) enhance job skills, (2) acquire knowledge of new technologies, and (3) expand both personal and corporate vision, thus creating the environment as well as the opportunities for innovation.

Training and career development activities are expected to be consistent with the following principles of learning:

1. Active participation. Learners should be involved in the design of their own training and its future application. Prebriefing of learners is essential.
2. Knowledge of results. Learners should know how they are doing during and after training. Feedback mechanisms must be in place to ensure that this happens.
3. Learning transfer. Where learning is off the job, opportunities need to be created to transfer the learning to job application.
4. Reinforcement of appropriate behavior. Learners who demonstrate changes in behaviors should be actively recognized and given feedback as well as encouragement.
5. Motivation of learners. individuals must recognize the need to learn something; and managers need to utilize the learner's own drive and purposes.

6. Willingness to change. Visible support from the manager is most likely to encourage the learner to change.
7. Practice and repetition. It is necessary to provide opportunities to practice on real-work situations without fear of failure.
8. Time for reflection. All learners need time and space to assimilate learning by talking to others and having questions answered—thinking and planning are real work.

The term the Learning Wheel refers that people learn in cyclical fashion to enable maximum Utilites of mind as well as other skills. Learning circle consist of four quadrants reflecting, connecting, deciding and doing. These phases takes place at individual and collective level.

Core Process and The Learning Wheel are two supportive systems. There is not much evidence how jobs in the Rover case were make use of these, but if we take the learning itself as a job, then the follolvings were recorded in regard of core process and the learning wheel.

Aligning Corporate Objectives vwith Corporate Learning Process in Rover:

Following the establishment of the learning organization as a part of the Company's new vision, Rover realized that it had to dvelop clear business targets and benefits that would be achieved as a result of this new learning focus. Initially, Rover identified 20 internal and external targets for critical success, including:

Internal Targets

- \$2 million in cost savings through better learning
- 10 percent shift in attitudes in the employee survey held every two years
- Abundant materials and programs to guide the company's learning process
- 1000 employees vwith their own self-development programs

- 2000 employees ambitious enough to apply for jobs that they think they could do by attending career walk-ins (these are gatherings where groups of managers are available on certain evenings to discuss vacancies)
- 500 managers acting as qualified coaches (as opposed to cops)
- 10,000 employees with external learning credits for learning that occurred internally

External Targets

- To be featured in media as a learning organization
- Receive national training awards

Rover then scrutinized each of its key business objectives to determine how corporate learning could become a primary driver in helping the company achieve these objectives.

Aligning Corporate Learning to Total-Quality Efforts of Rover:

Rover realized that quality products, processes, and services were vital to its short-term and long-term success. The principles of corporate learning were clearly aligned with the principles of total-quality improvement. Every learning process was to be tested against the following principles:

Continuous improvement. To achieve ever more demanding objectives, there must be a creative application of the learning process and in a shorter timeframe.

Management led. Management will plan for learning and development opportunities for employees in their own area.

Everyone responsible for quality. Involve employees in the design and delivery of learning and development programs by integrating the best mentoring, shared experience, and self-development.

Companywide. Each plant is to plan, invest, and report on its learning and development so that corporatewide progress can be formulated.

Cost of quality. Financial and nonfinancial benefits to the organization accruing from the learning programs would be evaluated and reported.

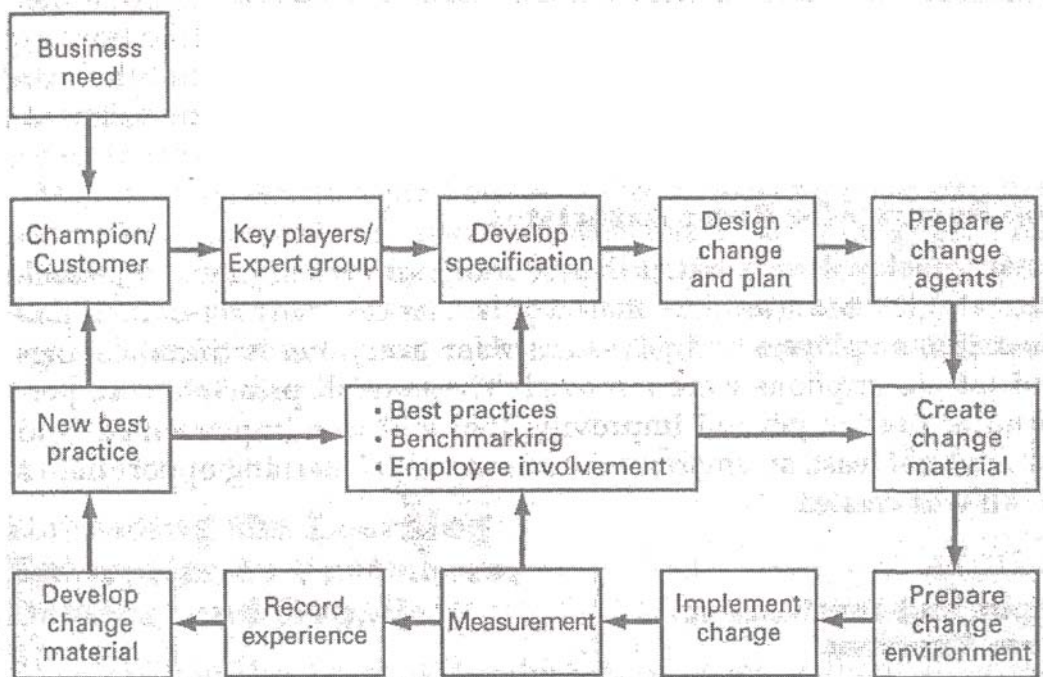
Streamlined into a Learning Structure in Rover:

The old management hierarchy was soon transformed into a structure that featured a lean organization where greater responsibility and accountability were given to individual workers. Greater emphasis was placed on teamwork so that learning barriers would be removed and an environment where there were better working relationships and mutual trust would be created. Each individual was expected to develop and demonstrate a broader range of knowledge, skills, and leadership.

Communication of Organizational Learning Activities and Programs in Rover:

To maintain the momentum of building the learning organization as well as to transfer new creative ideas about learning, Rover developed an internal Communications strategy that involved a variety of Communications:

- Learning products that focus upon satisfying individual needs to become more effective learners are launched regularly.
- At least one page of every company newsletter is devoted to RLE and learning activities of employees.
- Every main plant has news bulletins which, without exception, have group and individual learning as a main feature.
- The electronic notice bulletin board at each main plant location features existing and new programs available at employee development centers.
- Company roadshows feature learning as a key employee activity.
- Existing best practices are role-modeled by groups or individuals through presentations and exhibitions.



Rover Group LTD Corporate Learning Process Model

The model considers the learning wheel as a regulator of the interaction between the individual and organizational processes to create a continuous rhythm of learning across these levels. It is not realistic to say learning cycle should always trigger continuous changes in decisions and actions. However, the model implies a state of "mindfulness" to have a common consensus within the organization to balance abstract (reflecting) and concrete (acting) aspects of learning.

In provision of such rhythm, a procedure should go through a learning cycle by groups or individuals concerning its effects on each organization process before it is retested: Some questions to get insightful answers, including these phases could be:

- How did it go, how did it effect individual thinking and acting; why are the reasons for resistance if there is any; how did it affect other aspects of organizations (reflection);
- What did we learn from implementing this change; if we are to change this procedure for the better what other alternatives we have in the system around us (connecting)

- Which alternative(s) do we choose to take and why are the underlying reasons in deciding on this particular alternative (deciding).

These details we could not trace in the secondary data.

FACILITATORS

System perspective:

We could not trace a system perspective in learning for Rover . However since they have TQM applications, the learning efforts should have been supported by TQM efforts.

A learning strategy:

Rover has developed a corporate learning process model that has been widely used throughout the organization. This model is illustrated in Figure. The 13 steps in this model are described here.

1. Business Opportunity. All learning undertaken should contribute directly to bottom-line performance. Without this, there is no justification for doing it. Business opportunities can emerge from two main areas: (a) changes that require considerable financial investment and affect a wide range of people and (b) continuation of existing practices where performance requires significant improvement.
2. Champion. This is the person who identifies with the project's goals, opens doors, motivates, sets standards, maintains and coordinates the key players and expert group. The champion for a major strategic issue will normally be a Rover board director.
3. Key Players and Expert Group. These include the subject experts, experienced operators, motivators, networkers, learning experts, and outside experts.

4. Develop Specification. This includes business opportunity, aims, objectives, learning process and methods, venues, timing, and methods for measuring for success.
5. Design Process and Plan. All the major steps which will absorb time, the leader of each step, any milestones, and the resource for delivering the end objective are listed.
6. Prepare Coaches and Learners. Describe the project to pertinent employees and subject specialists so they are prepared and motivated to carry out corporate learning process.
7. Create the Learning Material. Develop high-quality materials produced to agreed timing that contribute to complete success of project; can range from a new model to audiotapes, videos, handouts, etc.
8. Prepare Learning Environment. The learning should be as close to the workplace as possible, but in any case, a high-quality learning environment should be prepared.
9. Implement Learning. A combination of activities of learners and coaches to capture learning both off and on the job.
10. Measurement. Measuring the effect of the learning and change process against the original objectives. The bottom-line benefits achieved by a well-specified process will strengthen the value of systematic learning to the organization.
11. Record Experience. The learning is recorded in a computer system for the organization and in the individual's personal development files.
12. Develop Learning Material. Develop any learning lessons for future organizational use.

13. New Best Practice. Revise the best practice Standard to share this new experience throughout the organization.

Throughout the corporate learning process, the key players or learners can draw on already established best practice and benchmarking, and engage the involvement of company employees. These are the three bulleted items in the central box in the Figure. They form the foundation for Rover's targeted efforts on building corporate knowledge, which is called the group learning exchange network (GLEN). GLEN coincides with K-Frame in Knowledge Management.¹²

Launched in 1993, GLEN is the definitive corporate database (updated quarterly by inputs from people in all Rover Group areas) accessible via IBM-compatible PC discs or directly on company computer networks. It guides inquirers to the appropriate sources of best practice or benchmarking information within the company. Also included on GLEN is a summary of personal learning materials for Rover associates.

Shared strategy is sometimes opens the doors to organizations to enter into the learning organization domain, because some parts of the share may fall into common needs or drives to.¹³

Shared vision:

Rover is famous with shared corporate culture vision. It does this around TQM around learning organization framework. Rover has efforts in UN also in shared vision and values.¹⁴

¹² Thomas COULSON, "The Knowledge Entrepreneur", Leading Strategic Learning, Leadership in Learning, European Consortium for the Learning Organization ECLO 11 th Annual Conference, Dublin, Ireland, 24-25 May 2004; <http://www.eclo.org/conferences/2004/downloads/dublinpapers/ColinCoulson.ppt>

¹³ Hülya ÖZTEL, "Enabling Strategic Learning Comparative Analysis", Leading Strategic Learning, Leadership in Learning European Consortium for the Learning Organization ECLO 11 th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004
<http://www.eclo.org/conferences/2004/downloads/dublinpapers/HulyaOztel.doc>

¹⁴ Brian TAYLOR & Antonio MASSARI, "HAROLD – The Learning Path", Discovery of the Learning Organization: The New Management Frontier, European Consortium for the Learning Organization ECLO 8 th International Conference – Lisbon, Portugal, 16-18 May 2001: 22.05.2004,
http://www.eclo.org/conferences/2001/proceedings/Taylor_HAROLD_THELEARNING_PATH.doc

Experimentation:

Learning requires building up and storing data, Information and experiences to retrieve past knowledge, so facilitate its re-use in similar problem solving situations when ever necessary again. Such experimentation maximizes amount of stimuli for organizations and individuals to connect to their responses, thus helps prepare grounds for learning. GLEN is a good example for experimentation used in Rover.

Environmental scanning:

Rover realized that intensified industrial competition throughout the world was putting an increasing premium on a company's ability to not merely satisfy suppliers and customers but also to delight them. This was particularly true in the fiercely competitive interaational motor industry.

The company decided not only to learn about their suppliers, dealers, and customers, but to have them learn together with Rover. Accordingly, the company offers courses at various Rover facilities, as well as at colleges and hotels, in an effort to help suppliers meet the auto industry's demanding standards of quality and efficiency.

Significant resources are devoted to learning programs for Rover dealers. These include a library of sales and after-sales skill-improvement videos as well as industry-leading literattüre and video packages covering sales, product knowledge, and servicing techniques. in addition, service correspondence courses have attracted över 500 participants per year. Rover also offers tutored courses at its various facilities for dealer staff.

Recently, a Rover professional program was launched in quality management and customer-service initiatives. The program provides a structured career path, via a learning and competence accreditation ladder. in its first year, över 2000 dealer staff from över 500 dealerships enrolled in what has been described as a remarkable confirmation of the continuous learning ethos at Rover.

Although ali of followings take place (mentioned) in the Rover case, none of them operationally give yield:

- Learning from the employees
- Learning from the alliances
- Benchmarking
- Customers experiments

Corporate culture:

Rover assigns itself to TQM culture which has roots to its Fareast competitors. There is a twining shift in Rover from culture and vision points of vievv. TQM culture is based on learning vision; learning vision is based on TQM culture. This interlock can be harmful if there is a need arise to make change in öne of them.

Management systems:

Underlying Rover's success in becoming a learning organization is a philosophy of "success through people." in the company's new environment of continuous learning, people needed to be empowered to contribute more to organizational success. Therefore, they needed to receive much more in return: namely, an interesting and satisfying job, improved knowledge through learning and involvement, being listened to, being able to make a greater contribution, having a ladder to further learning, higher self-esteem and confidence, rewards for using learning to improve quality, profits, and operations. Learning needs of the individual associate and the learning process of the company were balanced.

Human Resource Management:

Rover quickly demonstrated that its long-term commitment to associates who learned was more than words. The company introduced single-status employees and job security for everyone. Artificial ceilings and job descriptions were removed. The two-job principle (i.e., performing present job and improving that job) was implemented, and last, but not least, an environment of individual learning opportunities for all was created.

Team learning:

Rover repeatedly stressed that its most important asset was its work force. A recently opened Rover production facility provides an example of how the principles of openness, empowerment, improvement, and personal development have become embedded in Rover's way of operating:

- Team leaders were involved from the layout of the machinery to the color of the plant's walls.
- Associates are responsible for maintaining work and rest areas.
- Associates are encouraged to get involved with process improvement (to get an idea of how involved they are: each associate averages three suggestions per year).

Associate involvement is a way of life in Rover as demonstrated by the abundance of quality action teams (QATs). The success of these teams is attested by the number of closed QATs, i.e., those that have completed their task by solving the original problem. Rover estimates these motivated associates saved Rover over \$3 million per year.

Organizational structure:

The structural characteristics of learning organizations requires permeability, flexibility and network intimacy. Rover has a long history for progress in learning. Although none of the above features are openly declared in Rover case; they take place in other terminology, like details at below:

Five years ago, managers pushed for improvements that would meet set standards (which, in effect, became the ceilings for upper levels of performance). This resulted in a diluted execution of ideas and insufficient upward flow of ideas. Today managers serve primarily as facilitators, coaches, mentors, and motivators empowering the real experts, who are the associates. Managers and employees all work together as a potent force for continuous improvement in both quality and productivity. Since 90 %

of learning takes place on the job, managers have significantly increased the cost effectiveness of training through their new capabilities and commitment to facilitating learning on the job.

Managers are encouraged both to build on existing good practice and actively transfer their own experience to other colleagues. This philosophy and practice is called copy plus. Total-quality leadership within Rover means that line managers take full responsibility for creating a learning environment in their area, and for coaching employees in all aspects of their learning.

As the organization gets larger the middle managers become knowledge traders preventing the structure from turning to a flatter one.

Information management:

If you are a learning organization, the last thing you want is a lot of heavy documentation. Rover, like most companies, used to have policy manuals for everything, but no one read them except the people who wrote them. As part of Rover's learning initiatives, the company instead has concentrated on sets of principles, vision statements, and goals. Change should happen so rapidly that any documentation will be out of date before it is finished.

Rover has developed a number of learning resources to encourage and assist the individual and corporate learning processes. Three especially effective learning tools are the Learning is an Essential Way of Life pamphlet, the annual Learning Diary, and the Personal Learning Pays audiotape.

Learning is an Essential Way of Life Pamphlet:

This pamphlet graphically asks and answers two basic questions for the associates of Rover:

1. Why should I Learn? Answer: For me it would help: improve flexible skills, my job opportunities, my career, my family to learn, improve my way of life, gain accreditation, my security, in my retirement. For Rover it would help with: improved profitability, associate involvement, teamwork, continuous improvement, a flexible work force, improved processes, a lean operation, ensuring success.

2. How can I learn? Answer:

- Talk to your manager about a professional development file—a tool for defining and planning your personal development.
- Learn on the job, through job rotation, through team work, in small workgroups, quality-action teams, and continuous-improvement groups.
- Acquire manual and trade skills at local Rover training departments.
- Attend local colleges or training.
- Learn by distance learning through open university and correspondence courses.
- Receive coaching and mentoring from managers.
- Liaise with local school and community groups.
- Self-teach at Rover's education development centers using computer-based training books.

Learning Diary:

Each year Rover associates receive a pocket Learning Diary, which in addition to providing space for scheduling one's activities on a week-by-week basis, is chock-full of organizational and individual learning ideas and suggestions. The themes and format for each year's diary are derived directly from associates' suggestions and experiences. The 1995 diary

included:

- Power tools for learning
- Managing your learning
- Learning planning and review tools
- Ways of controlling stress
- Numerous learning axioms (such as, "When you can teach someone else what you have learned, you really know you know," and "If you do not live in the future today, you will live in the past tomorrow.")
- Hundreds of practical ways of improving your learning skills
- Resources for learning
- Opportunities and rewards for increasing Rover's learning capacity

Learning Book and Tape:

Recognizing that individuals may have different learning patterns, Rover has made available a Personal Learning Pays book and cassette package which helps users to identify the learning style (be it reading, watching, or hands-on) best suited to them. Over 6000 associates took advantage of this package in the first year.

As we can trace here all formal and informal disseminations take place in Rover case. GLEN is a way of collective communication and spreading the knowledge across the company.

Operational variety:

The operational variety is not scattered freely but give a direction to learn and make improvements in the jobs. From this point on every employee has the flexibility to work on different alternatives.

Performance gap:

Although there is some Information regarding the feedback mechanism, there we could not trace a systematic and measured performance gap in the Rover case. Most probably this may rise from the facts that Rover top management can be in a risky bias,

as mentioned before or Rover tries to announce positive results of its efforts in its journey to become a learning organization.

Concern for measurement:

We have not found very detailed comparative measures historically taken. However given the outcomes in details, we can conclude that measurement are taken regularly. An academic work or a neat recording does not exist to make further comments on the system of measurement for learning in Rover case.

Continuous education:

At Rover every employee is responsible for his or her learning as well as for long-term employability within Rover. This was a successful and crucial mental paradigm shift for the people of Rover.

Training and learning used to be seen by associates as "something that you had done to yourself," almost as if you had done something wrong. it was not seen as an opportunity for self-development, long-range employability, part of continuous improvement related to personal and organizational success. Or to put it in Rover's terms, learning was not seen "as a way of putting the future is in your hands."

Rover now seeks to encourage maximum personal responsibility and accountability in both learning and operational areas. The concept of associate ownership of personal development and learning has been intensively promoted. it was and remains Rover's firm belief that people who are given a genuine responsibility for their own development will in turn build a deeper commitment to the company.

A foundation stone of this ownership concept is the personal development file. Each associate summarizes in this file the learning and skills he or she has gained through experience and formal education.

This provides a solid platform for the personal development plan, created jointly by the individual and manager to meet the career aspirations of the individual and the business needs of

the company.

Another RLB initiative to encourage a climate of continuous learning is the Rover employee assisted learning (REAL) program which offers each associate \$175 in tuition fees every year for lateral personal development in business areas not specifically related to current job skills. The annual participation in REAL has ranged between 2000 and 4500 applications.

Sometimes training takes the place of education in the learning systems.¹⁶

OUTCOMES

Outcomes can be studied under two folds since the third fold Group Benefits does not exist in Rover case: Company benefits and individual benefits.

Company Benefits:

Today Rover is the darling automobile maker in the world. It cannot produce enough cars to meet the demands of buyers in North America and Asia. International sales have nearly doubled in the past few years. Rover has won nearly every award for quality that exists. The luxury Range Rover is the new "King of the Road." The Rover 600 has powered itself into a worldwide best-seller.

In the late 1980s, Rover, the largest car manufacturer in Great Britain was in trouble. Losses were exceeding \$100 million per year. Quality performance was low and going lower; union-management relations were wretched; leadership was seen as ineffective; future opportunities appeared bleak; and employee morale was sinking.

Rover now produces over half a million vehicles a year with annual sales of \$8 billion in over 150 markets worldwide. 1994 sales worldwide increased by 16% over 1993, at a time of

¹⁶ Hans WERNER-FRANZ, "Doing by Learning", Learning Process Innovation, Leadership in Learning, European Consortium for the Learning Organization ECLO 11 th Annual Conference, Dublin, Ireland, 24-25 May 2004; 22.05.2004
http://www.eclo.org/conferences/2004/downloads/dublinpapers/hwf_Dublin_presentation.ppt

only partial recovery in the world's car markets. in the past five years, Rover has gained in shareholder value, seen huge losses turn into large profits (\$56 million in 1994) with average revenue per car sold increasing by 50%. Revenue per employee has jumped by an incredible 400%.

Individual Benefits:

In the past five years, over 1000 employees have obtained postgraduate awards from universities. Over 221,000 have been involved in the personal development plan; 12,000 employees have taken advantage of the REAL program, while another 7000 have self-learned with audiotapes.

RESULT AND RECOMMENDATION

Rover has grown and benefited immensely over the past five years as an emerging learning organization. There has been a continuous flow of improvements initiated and generated through learning by empowered employees. Learning has indeed resulted in a better bottom line, happier employees, and a superior global reputation.

Although Rover has pioneered many new approaches to build corporate-wide learning, the company continues a vigorous search for more ways to meet its aspiration of becoming a preeminent learning organization and accelerating the pace of success through global learning.

Key corporate learning activities planned for the future include:

- Further development of the Rover way of corporate learning, including GLEN and Networks
- Ongoing research and benchmarking of top learning initiatives from around the world
- Creation of a "Change Agent's Toolkit" for use by line managers
- Continued response to the evolving learning needs of associates whose hunger for learning continues to grow

Rover has certainly gone a long way on its journey to become a learning organization. Their global reputation as one of the world's best is well deserved.

Rover recognized that being the best requires continuous improvement and therefore continuous and multiple opportunities for learning. There would need to be a wide array of choices that would make learning attractive and easily accessible. Accordingly, the company established employee development centers at all eight Rover sites. Each site was fully fitted with open-learning equipment in the form of text, audio, video, interactive video, and computer-based training. The open-learning resources in

each center were dovetailed with line-management needs through the personal development review process. The efficiency in responding to learning needs was ensured by the continuous networking of the personal development reviews with the centers.

Today there are over 200 learning programs available at the centers, ranging from basic mathematics to computing, from electronics to languages, from management skills to interpersonal skills, from healthcare issues to pension issues. Ali Rover associates are able to utilize any of these resources during working hours on a directly work-related topic, or after working hours for other areas.

The centers have proven to be very popular—more than 50,000 hours of active learning each year and growing. And the use is not restricted just to those who work directly for the company. Rover dealers and key suppliers are actively encouraged to participate in these open-learning programs, as well as other learning opportunities offered by Rover.

In addition to courses within Rover facilities, a whole range of learning programs for people inside and outside Rover are promoted, such as MBA courses, health and safety training, and overhead crane theory. Several high-quality degree and non-degree programs have been developed in collaboration with the University of Warwick.

Rover should take care of a very risky reality that the cultural assumptions step of the model requires detailed qualitative and quantitative techniques to apply. These techniques can be considered the combination of focus groups and in-depth interviews; secondary data analysis (documents of organizations); participant observations and unobtrusive measurement questions, quantitative surveys on cultural assumptions. Ali results should be discussed with the members from various cultures not from one only culture, in a confrontational manner so as to challenge cognitive and emotional responses embedded in present culture which might hinder generating a learning culture. Due to the unconscious assumptions embedded in peoples' minds work will never be a natural part of the main work. In order to minimize the effects of individualistic assumptions as well to be in the way of team learning once this assumption is detected

in relations, people should be confronted with the "undesirable" outcomes of it; and helped gain insights toward new ways of thinking. The same course of analysis can be conducted for the other assumptions of the present culture which might affect work processes and behaviors.

Otherwise by mono-culturing Rover can only compete in an area where perhaps the only culture is of its, British. This will narrow its success and can Rover will not be able to confront the heavy attacks of others to compete in that market.

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