



HIGHER SCHOOL OF ECONOMICS
NATIONAL RESEARCH UNIVERSITY
PERM

Implication of Learning Organization in developing countries: evidence from Russia

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Mariia Molodchik
Carlos Jardon

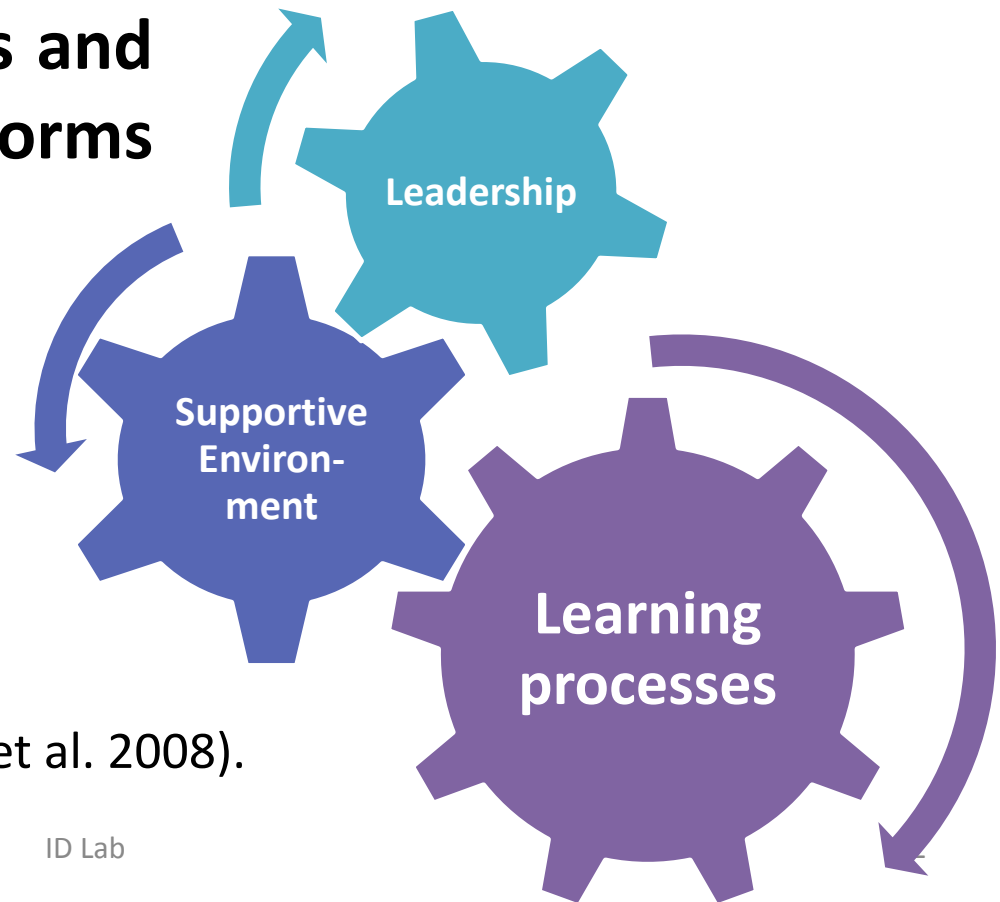
This study comprises research findings from the project
«Intangible-driven dynamics in economics and finance» carried out within
International Laboratory of Intangible-driven Economy (ID Lab)
of the NRU HSE Basic Research Program in 2014



What is learning organization?

LO - is the term given to a company that facilitates the learning of its members and continuously transforms itself.

(Pedler et al. 1997).



(Garvin et al. 2008).



Motivation

- The effectiveness of LO implication into practice is contextually depended – stylised fact (Sporer, Z. (2004), Jamali D., et al. (2009), Garim N., & Basson J.,S., (2013)
- Knowledge Management in developing countries (Michailova and Sidorova, 2010, Andreeva et al., 2011, Gavrilova and Andreeva, 2012)
- To discover **peculiar qualities** of learning processes and practices in Russian companies as well to analyze the enabler of learning such as supportive environment and leadership



Peculiar qualities

- the shortage of qualified personal (European Investment Bank, 2013)-> that force the companies to educate and train (or sometimes reeducate) personal to their own requirements
- the lack of trust in formal institution (Michailova and Sidorova, 2010)
-> that is compensated through social capital development as an opportunity to bypass bureaucratic system, to secure stability

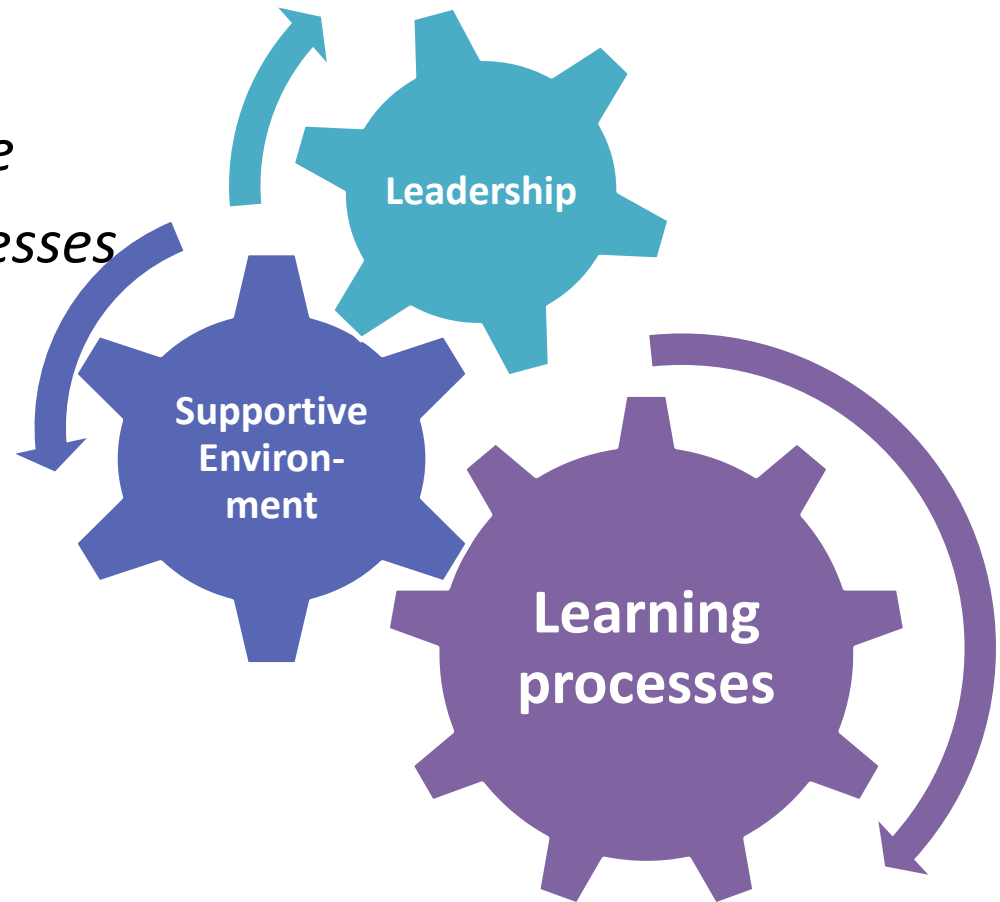


Peculiar qualities

- The collectivist culture of Russia -> the strong in-group relationships, distrust to outsider -> complications by knowledge sharing and creation
- Michailova and Sidorova (2010) pointed the fact that Russian managers “*ascended the hierarchy systematically through personal networks and these particularistic ties determine organizational opportunities*” (p.395).

Hypotheses:

- H1: *Learning environment has positive influence on learning processes and practices.*
- H2: *Leadership has positive influence on learning processes and practices.*
- H3: *Leadership has positive influence on learning environment.*





Methodology

- Questionnaire was developed considering the previous studies of Watkins and Marsick (1996), Garvin et al. (2008), Jamali and Sidani (2008).
- Likert scale (1-5)
- Smart PLS (Partial Least Square)



Sample

- Large-sized manufacturing companies of Perm region
- 118 responses from 19 companies
- 64% - male and 36% - female
- 48% - top-managers; 34% - middle managers; 18% - specialists
- 62% of respondents work in the company more than three years



Database analysis.

Latent Construct – Learning Processes and Practices

Related items	Mean (Std.Dev.)	Loadings	Item reliability
In my organization people initiate experiments and development regarding new products or service offerings	2.73 (1.04)	0.804	0.646
My organization frequently compares its performance with that of competitors and best-in-class organizations	3.45 (1.17)	0.829	0.662
My organization engages in productive conflict and debate during discussion	3.66 (1.07)	0.868	0.659
My organization provides the opportunity for education and training for each employee	3.61 (0.98)	0.812	0.687
In my organization people are eager to share information and experience	3.36 (0.93)	0.814	0.753



Database analysis.

Latent Construct – Supportive Learning Environment

Related items	Mean (Std.Dev.)	Loadings	Item reliability
In my organization learning and self-development are valued	3.62 (1.05)	0.903	0.605
My organization supports and rewards teamwork	3.48 (1.03)	0.910	0.815
My organization identifies, develops and retains talented employees	3.20 (1.19)	0.872	0.828
My organization encourages initiative and support new ideas	3.47 (0.93)	0.861	0.741
My organization encourages people to define tasks and to achieve results with minimum external intervention	2.77 (1.04)	0.778	0.760



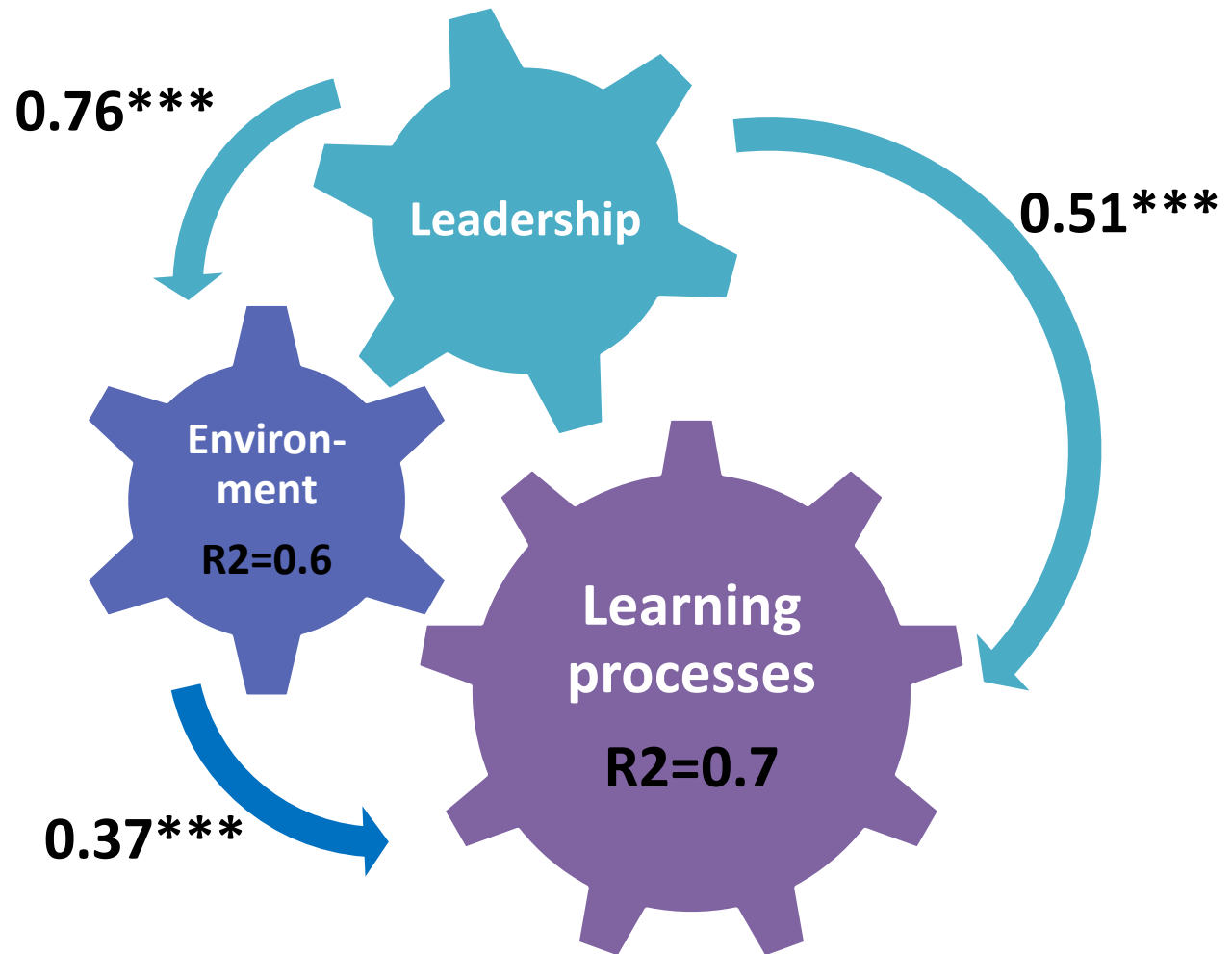
Database analysis.

Latent Construct – Leadership

Related items	Mean (Std.Dev.)	Loadings	Item reliability
In my organization leaders inspire others to solve complex problems, to accomplish extraordinary results	3.36 (0.85)	0.877	0.769
Managers encourage multiple points of view	3.44 (0.87)	0.912	0.831
Managers delegate authority and decision-making	3.11 (1.02)	0.821	0.674
Leaders acknowledge their own limitations with respect to knowledge, information or expertise	3.43 (0.91)	0.813	0.660
Leaders are the example of entrepreneurial and self-development behaviour	3.21 (0.96)	0.842	0.708

Results:

**Goodness
of fit = 0.40**





Closing remarks

- All three hypotheses were confirmed
- The study finds out the awareness in Russian companies towards the potential benefits of learning organization principles as well as successful practices
- The study is based on several cases that should be taken into consideration by result interpretation and implication.