

IMPACT OF ORGANIZATIONAL LEARNING ON ORGANIZATIONAL INNOVATIVENESS

Sana Mansoor* & Rajnish Ratna**

sanamansoor01@hotmail.com

ABSTRACT

Organizational learning in public sector organizations can help the employees to improve their existing skills and knowledge and play an important role in creating and facilitating innovative environment. The objective of the study is to analyze organizational learning and organizational innovativeness in the organization, to determine the relationship between organizational learning and innovativeness, whether there is a relationship between demographic variable such as age, experience, gender and organizational learning. The study used descriptive research design to validate the proposed relationships described in the hypotheses and to develop a reliable discussion extending with the findings attained. It has been found that there exist a relationship between organizational learning and age of the respondents and there is no significant relationship between organizational learning and experience of the respondent. There does not exist any difference in the perception of gender towards organizational learning and organizational innovativeness. There is also a significant relationship between Organizational learning and Innovativeness. The results also showed that two elements knowledge sharing and openness and experimentation of organizational learning explained the changes in the organizational innovation.

Keywords : Organizational learning , Organizational Innovativeness, Knowledge transfer and integration, Product and Process innovation, Congenital learning.

INTRODUCTION

In the modern business world where things change rapidly and information needs to get transmitted almost instantaneously, due to constantly changing environment there is a need of organization learning to remain innovative in the present condition! Organizations have to develop new products, maintain their market share, and improve profitability; shorten processing time to create new products in order to remain relevant, learning is very vital component as it will lead to competitive advantage of the firm. Organizational learning as a dynamic process of creation, acquisition and integration of knowledge aimed at development of resources and capabilities contribute to better performance. It is a prerequisite for successful organizational change and performance which could enhance the intellectual capabilities of the employees which would in turn further drive them to be innovative. In order to survive in today's competitive

market, any organizations should adapt themselves to changes in their business or further, they can become the creator of changes in the industry. Learning is essential to the creation of changes. Moreover, to invent something new in industry and change the current situations refers to the innovativeness of an organization. Therefore, taking into account the literature, organizational learning is an important factor in organizational innovation

Organizational Learning

Allameh and Moghadami (2009) defined organizational learning as a concept that explains all kinds of processes and activities which are done in an organization. Allegra and Chiva (2008) described the organizational learning as a kind of process through which the organization learns and this learning means every change in organizational models that leads to the improvement or preservation of organization performance.

* Student MBA (HR), ** Assistant Professor (HR & OB), Amity Business School, Amity University, NOIDA (Uttar Pradesh)

Dimensions of Organizational learning

Jerez-Gomez (2005) used four dimensions for measuring organizational learning capability: (1) Managerial commitment, (2) Systems perspective, (3) Openness and experimentation, and (4) Knowledge transfer and integration.

Managerial Commitment: Firm's managers should articulate a strategic view of learning, making it a central visible element and a valuable tool with an influence on the obtaining of long-term outcomes.

Systems Perspective: considered organizations as a system that is made up of different parts, each with its own function but act in a coordinated manner. Moreover, all employees and departments of the organization should have a clear view of organization's mission.

Openness & Experimentation: defined that organizations need a climate of openness that welcomes the arrival of new ideas and points of view, both internal and external, allowing employee's knowledge to be constantly renewed, widened, and improved.

Knowledge Transfer & Integration: examined the efficacy of these two processes depends on the previous existence of absorptive capacity, implying the lack of internal barriers.

Organizational Innovativeness

Innovativeness has long been described as an important driver of economic growth. Most empirical research and surveys of firm show that innovation leads to new products or services that are higher in quality and lower in price. Measuring innovativeness is an important issue as business growth and profitability depends on innovation. Continuous acceleration and innovation will sustain revenue growth which will then fuel more innovation. Therefore sustainable growth requires the innovation to be institutionalized and its output made predictable. Innovation is one of the most important determinants of firm performance as a result of the evolution of the competitive environment. Innovation can lead to increased market share, greater production efficiency, higher productivity growth, and increased revenue, innovation enables firms to offer greater variety of differentiated products that can improve financial performance. It can also influence the rate of employees' job satisfaction and commitment, which will on the long-run reduces job turnover.

Kundu and Katz (2003) relate innovativeness

to the organization's 'intention to be innovative'.

Hult, Hurley & Knight (2004), explained that innovativeness is a firm's capacity to introduce new processes, products, or ideas in the organization.

Tidd, Besant. (2006) analyzed the most important characteristics of innovations include:

- A strong relationship between market performance and new products.
- New products help maintain market shares and improve profitability.
- Growth by means of non-price factors (design, quality, individualization, etc.).
- Ability to substitute outdated products (shortening product lifecycles).
- Innovation of processes that lead to production time shortening and speed up new product.

Model of innovation: The '4Ps' model developed by John Besant and Joe Tidd provide a powerful tool for such analysis. It builds on the hypothesis that successful innovation is essentially about positive change, and puts forward four broad categories where such change can take place.

'Product innovation' - changes in the things (products/services) which an organization offers.

'Process innovation' - changes in the ways in which products and services are created or delivered.

'Position innovation' - changes in the context in which the products/services are framed and communicated.

'Paradigm innovation' - changes in the underlying mental models which shape what the organization does.

1. Product innovation

Perhaps the most commonly understood form of innovation is that which introduces or improves a product or service - a change in what is offered to end users. The Bick ballpoint pen is an example of a product innovation, which has also benefited from a range of incremental innovations since its original invention. The emblematic humanitarian product is food, which is the dominant form of assistance. Different forms of food aid might be seen as incremental innovations. There may also be innovative products which help to achieve humanitarian goals. For example, the Life Straw is a portable water filter developed by Vestergaard, Frandsen which enables individuals to drink clean water from almost any source. Another example is

Plump nut, a therapeutic food which is both durable and can be dispensed outside of traditional medical settings.

2. Process innovation

Innovations can also focus on processes through which products are created or delivered. Because so many of the products used in relief settings are initially developed for non-relief contexts, a natural focus for humanitarian innovation is to consider how an existing product might be used in resource-poor or rapidly changing settings. Examples of process innovations that have had a positive effect on the humanitarian sector are the increasing stockpiling of goods in strategic locations, or the use of pre-made packs and kits.

3. Position innovation

The third focus of innovation involves re-positioning the perception of an established product or process in a specific context. Position-based innovations refer to changes in how a specific product or process is perceived symbolically and how they are used. For example, Levi-Strauss jeans are a well-established global product line, originally developed as manual workers' clothing materials, but then re-branded as a fashion item.

4. Paradigm innovation

The final 'P' relates to innovation that defines or redefines the dominant paradigms of an organization or entire sector. Paradigm-based innovations relate to the mental models which shape what an organization or business is about. Henry Ford provides a pithy quote, when talking about the development of the Model T motor car: 'If I asked people what they wanted, they would have asked for a five-legged horse'. Examples of paradigm innovation in the international humanitarian sector include an increasing emphasis on local ownership and leadership of responses to crises as an alternative to internationally dominated responses. A greater and more central role for aid recipients is another example, and finally, perhaps the most radical innovation is the idea of disaster risk reduction approaches, which if successful can negate the need for any kind of response. The development of community-based feeding therapy is one of the most recent examples of such innovations, with the combination of a product ,a process (community-

based distribution) , a re-positioning (the idea that aid agencies do not need to do the feeding themselves directly) and a paradigm shift (the notion that families and communities can treat malnutrition at home). Similarly, cash-based programming at its most radical involves a new product (cash), new processes (means of distributing cash), new position (a change in how aid is perceived by donors) and new paradigms (a change in how recipients are perceived by aid agencies).

REVIEW OF LITERATURE

Kitapch, Aydin and Celiki (2012) in their study found that organizational learning capacity affected innovativeness as well as financial performance. Chen and Chen (2010) stated that Organizational learning enhanced firm's innovative capabilities that improved the level of firms' competitiveness and performance. Yu Yuan, Bella and Bajiyin (2010) discovered the effects of organizational learning on the innovation & concluded that the organizational learning had a direct and positive impact on the innovation performance in an organization. That is, the organizational learning increased the organizational performance by developing new capabilities. Jimenez and San-Valle (2010) determined the organizational learning effects on the innovation as well as the performance. Their findings showed that the organizational learning and innovation contributed directly to the organizational performance increase. The organizational learning also affected the organizational innovation. The findings, however, showed that the organizational learning effects on the innovation were higher than the organizational performance. Chang (2010) studied the relationship between the organizational learning and organizational innovation. The results showed that the organizational learning capabilities positively and significantly associated with the organizational innovation. In other words, the organizational learning capability is considered as one of the essential as well as facilitating elements for the organization that could be conducive to the growth and innovation. So, the spread of learning culture among an organization's members led to the production and innovation of knowledge systems and new creative ideas in the organization that finally generated the innovation. Liao (2008) said that innovation is the prerequisite of knowledge creation and the essential

key of knowledge management, because organizations mainly learn from the innovations made or adopted. Through single and double-loop learning which forms the meta-learning process, learning of the whole organization is enhanced and this contributes to innovations. Ussahawanitchakit (2008) attributed high levels of commitment to learning to greater innovative orientation and activity. Garcia, Ruiz and Loren's (2007) examined that Organizational learning "supported creativity, inspired new knowledge and ideas and increased the potential to understand and apply them, favored organizational intelligence and (with the culture) formed a background for orientation to organizational innovation". Jansen, Botch and Franz (2006) analyzed that organizational learning capacity had effect on creating innovations, consequently, innovations affected the organizational performance. Teo and Wang (2005) believed that firm's innovativeness was determined by the firm's learning orientation, and organizational learning capacity had a key role on increasing the performance. Hence, it should be developed to increase the firm performance. Darroch (2005) as a result of her research stated that "a firm capable in knowledge acquisition, knowledge dissemination and responsiveness to knowledge is more innovative." Most studies consider that learning injects new ideas and strengthens the creativity and the ability to discover new opportunities, so it supports the presence of innovation. Tipping and Sochi (2003) explored the underlying assumption about the relationship between the organizational learning and organizational innovation and said that the firms and organizations who were able to refresh their knowledge, were more likely to understand the consequences created by the environmental changes and respond more quickly and appropriately to these changes than their rivals. Hovland (2003) stressed that an organizational learning may be modified by specific management practices through strategic direction, employee selection, rewards and recognition, employee deployment, support of idea generation, and multifunctional teaming to encourage innovative behavior. Baker and Sinkula (2002) articulated the reasons why learning was considered critical for the organizations success as learning facilitated the improvement and development of processes and new products. Thrin (2002) focused on the fact that the organizational learning is related to the innovation in the small but high-tech

organizations. In other words, the presence of continuous learning in the small high-tech firms resulted in the knowledge creation at different levels of organization, or generally, the use and application of knowledge and intellectual assets of people and organizations which in turn, led to the innovation performance in the individual and organizational innovation. Darroch and McNaughton (2002) identified that organizational learning with its consequences was often regarded as one of the innovation antecedents.

RESEARCH METHODOLOGY

Objective of the study

- To study the level of organizational learning in Airports Authority of India.
- To study the level of organizational Innovativeness in Airports Authority of India.
- To analyze the relationships between organizational learning and organizational innovation.
- To analyze the relationship between organizational learning and demographic variable such as age and experience.

Hypothesis

- "H₁- Organizational learning is not significant in the organization
- H₀- Organizational learning is significant in the organization
- "H₂₀-Organizational innovativeness is not significant in the organization
- H_{2a}- Organizational innovativeness is significant in the organization
- "H₃₀-There exists no relationship between organizational learning and age
- H_{3a}-There exists a relationship between organizational learning and age
- "H₄₀- There exists no relationship between organizational learning and experience
- H_{4a}-There exists a relationship between organizational learning and experience
- "H₅₀-There exist no difference in perception among the gender on organizational learning
- H_{5a}- There exist a difference in perception among the gender on organizational learning
- "H₆₀-Organizational learning does not have an impact on organizational innovativeness
- H_{6a}-Organizational learning has an impact on organizational innovativeness

RESEARCH DESIGN

Population and sample: The statistical population included the employees working at Airports Authority of India. Data were collected from 40 employees for a response rate of 90%. Respondents were selected according to convenience sampling.

The first tool used in this study is the organizational learning questionnaire by Jerez Gomez (2005) which includes the following four dimensions: such as systems perspective, managerial commitment, knowledge sharing and openness and experimentation. The questionnaire contains 16 statements and is set within a five-option range. The second part of questionnaire containing five question measuring organizational innovativeness adapted from previous study by Rashid and Motlagh (2013).

Primary data for the study was collected using a structured questionnaire. A mail survey procedure via the questionnaire was used for data. The primary data collected was supplemented with secondary data from magazines, journals and other write-ups that focused specifically on the relationship between Organization learning and innovation.

DATA ANALYSIS AND FINDINGS

Table 4.1 Respondents according to gender

| | No. | Percent |
|--------|------|---------|
| Male | 30 | 75% |
| Female | 10 | 25% |
| Total | 40 | |
| | 100% | |

Figure 4.1

INTERPRETATION

There are 75% males and 25% females

Table 4.2 Respondents according to age

| Age | No. | Percent |
|-------|-----|---------|
| 18-25 | 2 | 5% |
| 26-33 | 20 | 50% |
| 34-41 | 13 | 32% |
| 42-49 | 3 | 7% |
| 50+ | 2 | 5% |
| Total | 40 | 100% |

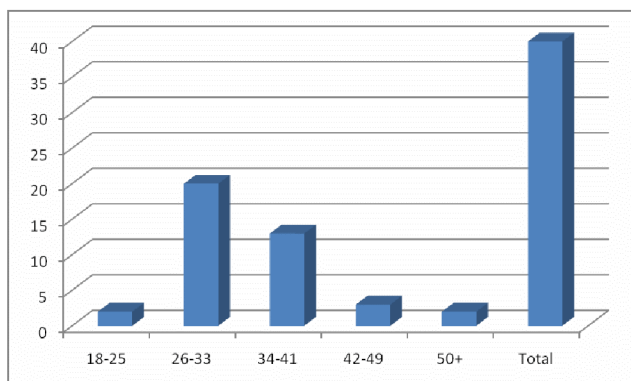


Fig 4.2

INTERPRETATION

5% of respondents are in 18-25 age group, 50% are in 26-33 age group, 32% in 34-41 age group, 7% in 42-49 age group and 5% in 50+ age group

Table 4.3 Respondents according to tenure in the Organization

| Tenure | No. | Total |
|------------|-----|-------|
| 1-5 yrs. | 1 | 2.5% |
| 6-10 yrs. | 14 | 27% |
| 10-15 yrs. | 17 | 41% |
| 16-20 yrs. | 3 | 8% |
| 21-25 yrs. | 5 | 6% |
| Total | 40 | 100% |

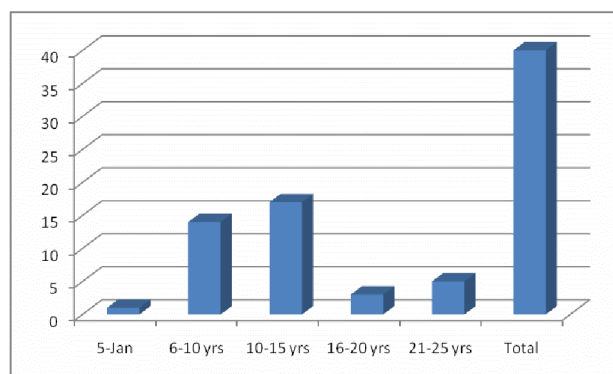


Fig 4.3

INTERPRETATION

2.5 % of respondents are in 1-5 yr. of experience, 27% are in 6-10 yr. of experience, 41% in 10-15 yr. of experience, 8% in 16-20 yr. of experience, and 6% in 21-25 yr. age group

Table 4.4 Respondents according to designation

| Designation | No. | Percent |
|-------------|-----|---------|
| JET | 2 | 5% |
| AM | 4 | 10% |
| M | 6 | 15% |
| SM | 6 | 15% |
| AGM | 12 | 30% |
| DGM | 3 | 7% |
| JGM | 5 | 12% |
| GM | 2 | 5% |
| Total | 40 | 100% |

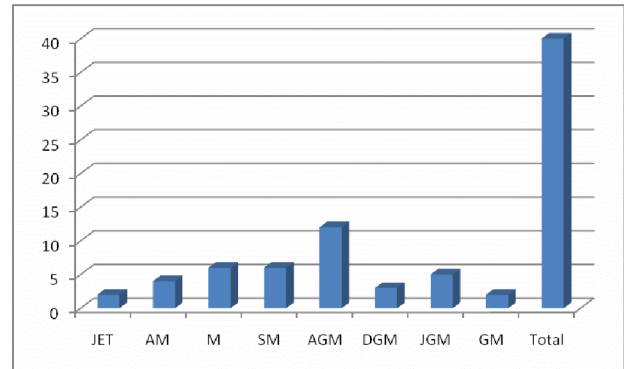


Fig 4.4

General Managers,7% are Deputy General Managers,12% are Joint General Managers,5% are General Managers

INTERPRETATION

Among the respondents 5% are Junior Engineers,10% Assistant Managers,15% Managers,15%Senior Managers,30% are Assistant

H_0 - Organizational learning is not significant in the organization

H_1 -Organizational learning is significant in the organization

Table 4.5 Descriptive Statistics of organizational learning

| | N | Minimum | Maximum | Mean | Std. Deviation |
|----------------------------|----|---------|---------|--------|----------------|
| Managerial commitment | 40 | 1.00 | 5.00 | 2.8600 | 1.31948 |
| Systems perspective | 40 | 1.00 | 5.00 | 2.7200 | 1.38652 |
| Openness & experimentation | 40 | 1.00 | 5.00 | 2.6400 | 1.07864 |
| Knowledge transfer | 40 | 1.00 | 5.00 | 2.5000 | 1.19802 |

INTERPRETATION

According to the following table it is observed that respondents rank knowledge transfer as high followed by openness and experimentation, system perspective ,openness and experimentation and lowest is managerial commitment so our null hypothesis gets rejected and our alternate hypothesis

is accepted that organization learning is significant in the organization

H_{20} -Organizational innovativeness is not significant in the organization.

H_{2a} -Organizational innovativeness is significant in the organization.

Table 4.6 Descriptive Statistics of organizational innovativeness

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------------------|----|---------|---------|--------|----------------|
| Novel by customers | 40 | 1.00 | 5.00 | 3.0250 | 1.38652 |
| First to market | 40 | 1.00 | 5.00 | 2.4500 | 1.31948 |
| Patent products | 40 | 1.00 | 5.00 | 2.2750 | 1.19802 |
| Innovative product | 40 | 1.00 | 5.00 | 2.3750 | 1.07864 |
| flexible | 40 | 1.00 | 5.00 | 2.2000 | 1.15913 |
| Valid N (list wise) | 40 | | | | |

INTERPRETATION

From the following table it is observed that respondents rank the component flexibility as the highest followed by development of patent products, emphasis on innovative products therefore our null hypothesis gets rejected and our alternate hypothesis

is accepted that organizational innovativeness is significant in the organization

H₃₀- Organizational learning does not have a significant relationship with age of the respondents

H_{3a}- Organizational learning has a significant relationship with age of the respondents

Table 4.7 Crosstab analysis of age of employees with managers frequently involving their staff in important decision-making processes

| Response | 18-25 | 26-33 | 34-41 | 42-49 | 50+ | Total |
|-------------------|-----------|-------|-------|-------|-----|-------|
| Strongly agree | 1 | 5 | 0 | 0 | 0 | 6 |
| Agree | 0 | 6 | 0 | 1 | 2 | 9 |
| Neutral | 1 | 8 | 5 | 1 | 0 | 15 |
| Disagree | 0 | 1 | 5 | 1 | 0 | 7 |
| Strongly disagree | 0 | 0 | 3 | 0 | 0 | 3 |
| Total | 2 | 20 | 13 | 3 | 2 | 40 |
| CHI SQUARE | SIG 0.019 | | | | | |

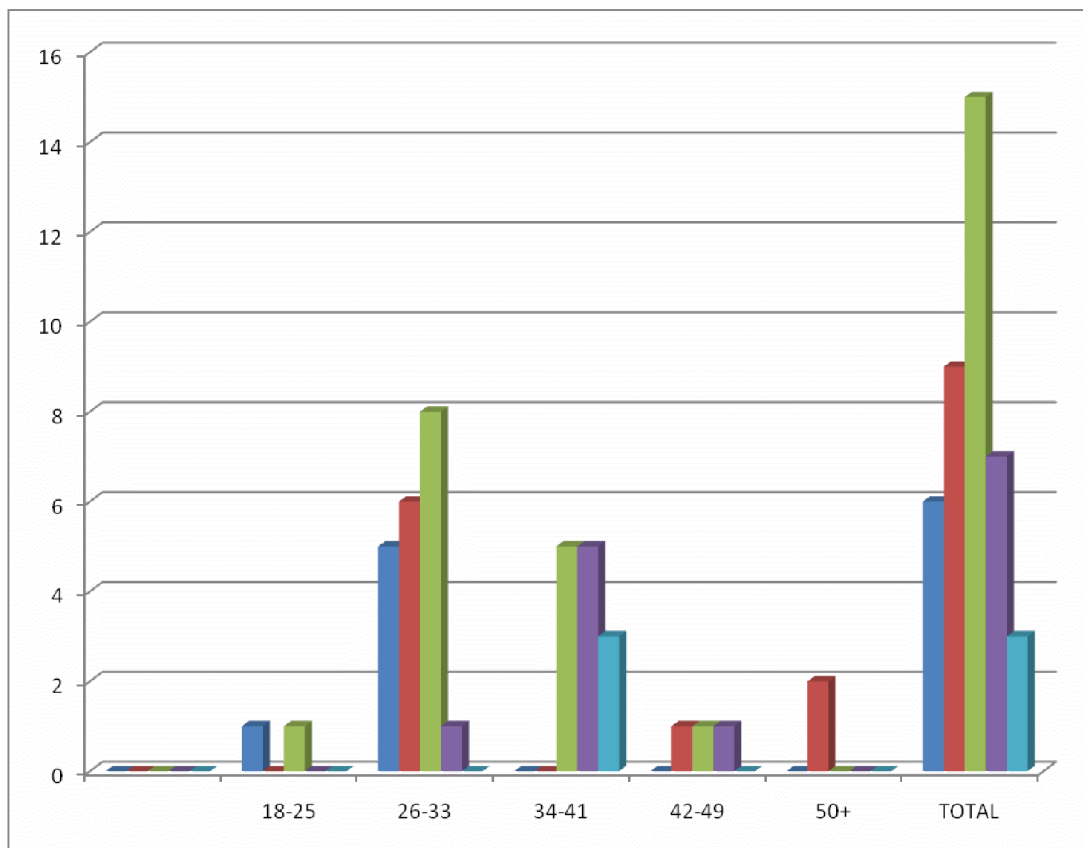


Figure 4.6

INTERPRETATION

2% of respondents in 18-25 age group strongly agreed,12% strongly agreed in 26-33 age group,15% agree in 26-33 age group,2% in 42-49 age group,5% in 50+ category,20% are neutral in 26-33

age group,12% in 34-41 age group. Null hypothesis gets rejected and alternate hypothesis is accepted which means that there exist a relationship between organizational learning and age as chi square is significant and less than P value (0.05)

Table 4.8 Crosstab analysis of demographic variable age with employee's learning is considered more of an expense than an investment.

| Response | 18-25 | 26-33 | 34-41 | 42-49 | 50+ | total |
|-------------------|-------|-------|-------|-------|-----|-------|
| Strongly Agree | 1 | 7 | 0 | 0 | 0 | 8 |
| Agree | 0 | 7 | 0 | 1 | 2 | 10 |
| Neutral | 1 | 5 | 6 | 1 | 0 | 13 |
| Disagree | 0 | 1 | 3 | 1 | 0 | 5 |
| Strongly Disagree | 0 | 0 | 4 | 0 | 0 | 4 |
| Total | 2 | 20 | 13 | 3 | 2 | 40 |
| CHI SQUARE | 0.029 | | | | | |

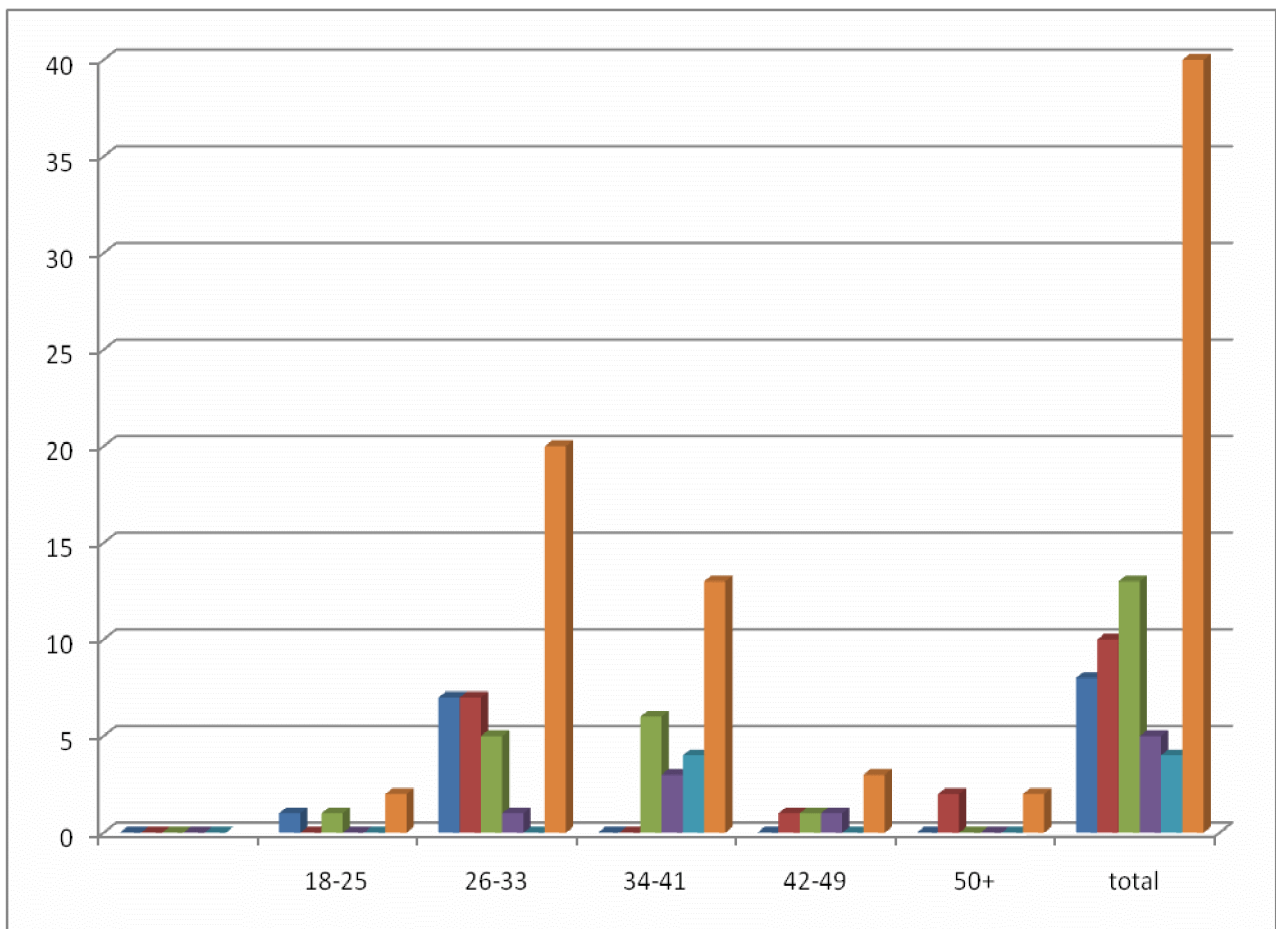


Fig 4.7

INTERPRETATION

2% strongly agree in 18-25 age group,17.5% agree in 26-33 age group ,10% strongly disagree . Null hypothesis is rejected and alternate

hypothesis is accepted signifying that there exists a relationship between organizational learning and age as chi square is significant which less than P value (0.05)

Table 4.9 Crosstab Analysis

| Response | 18-25 | 26-33 | 34-41 | 42-49 | 50+ | Total |
|-------------------|-------|-------|-------|-------|-----|-------|
| Strongly Agree | 1 | 6 | 2 | 1 | 0 | 10 |
| Agree | 0 | 8 | 1 | 1 | 1 | 11 |
| Neutral | 1 | 5 | 1 | 0 | 0 | 7 |
| Disagree | 0 | 1 | 5 | 0 | 0 | 6 |
| Strongly Disagree | 0 | 0 | 4 | 1 | 1 | 6 |
| Total | 2 | 20 | 13 | 3 | 2 | 40 |
| CHI SQUARE SIG | 0.03 | | | | | |

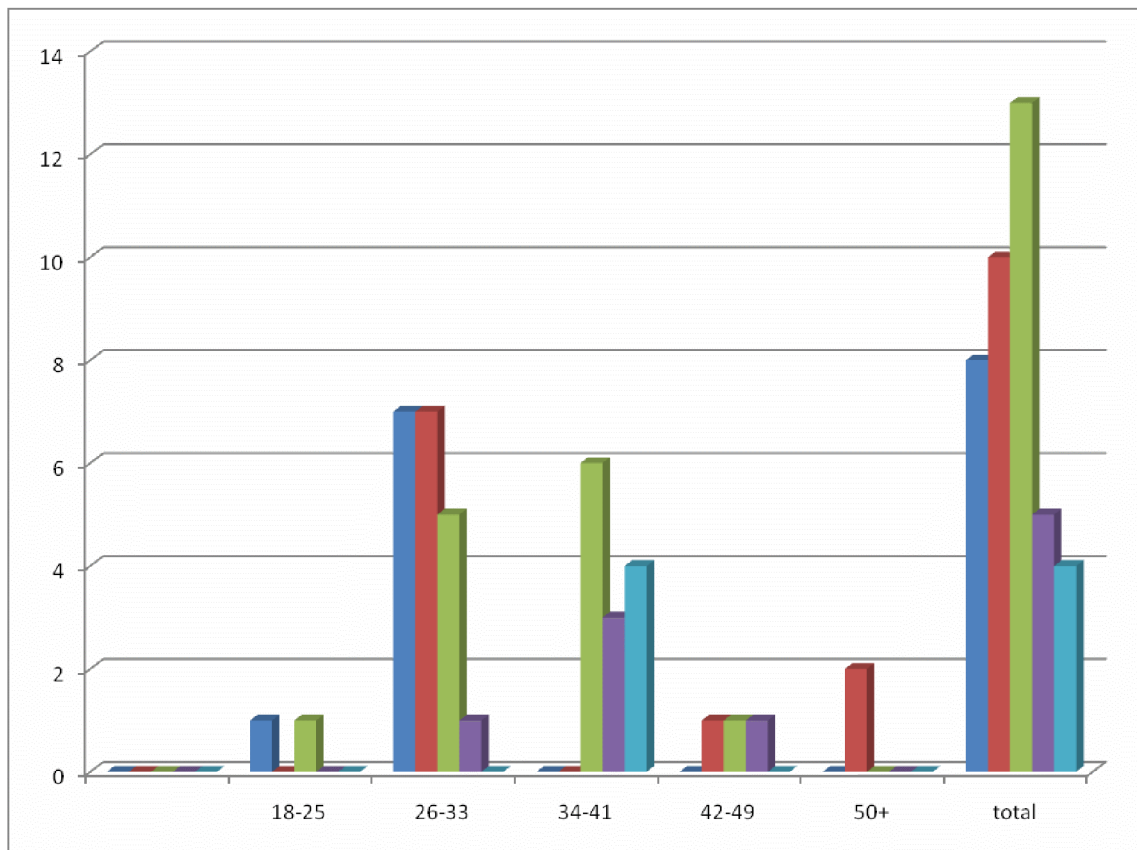


Figure 4.8

INTERPRETATION

2.5% strongly agree, 15% agree in 26-33 age group, 5% in 42-49 age group, 12.5% in 34-41 age group, and 2.5% in 26-33 age group.

H₄₀ - Organizational learning does not have a significant relationship with respondent's experience in the organization.

H_{4a} - Organizational learning has a significant

relationship with respondents experience in the organization.

Table 4.10 Crosstab analysis of experience with employees' learning capability is considered a key factor in this firm.

| | 1-5 yr. | 6-10 yr. | 10-15 yr. | 16-20 yr. | 21-25 yr. | Total |
|-------------------|-----------|----------|-----------|-----------|-----------|-------|
| Strongly Agree | 0 | 2 | 2 | 0 | 1 | 5 |
| Agree | 1 | 2 | 5 | 1 | 3 | 12 |
| Neutral | 0 | 1 | 8 | 1 | 0 | 10 |
| Disagree | 0 | 6 | 2 | 0 | 1 | 9 |
| Strongly Disagree | 0 | 3 | 0 | 1 | 0 | 4 |
| Total | 1 | 14 | 17 | 3 | 5 | 40 |
| CHI SQUARE | SIG 0.147 | | | | | |

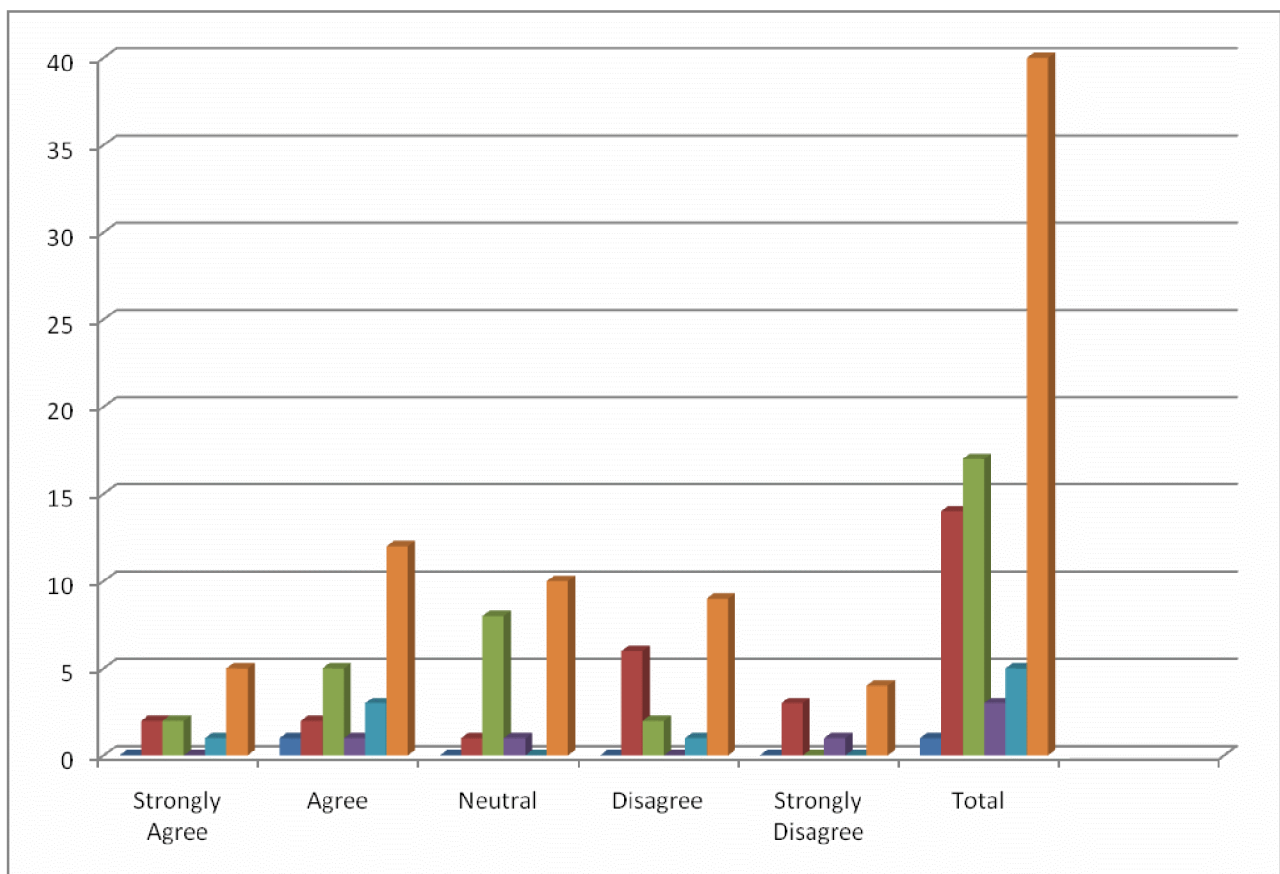


Figure 4.9

INTERPRETATION

5% of respondents who have 1-5 yr of experience agree with the statement, 5% of respondents who have 6-10 yr of experience strongly agree, 7% of respondent who have 6-10 yr of experience disagree with the statement. Null

hypothesis gets accepted as significance value is 0.147 which is less than P value and alternate hypothesis is rejected which means that there is no significant relationship between organizational learning and experience in the organization.

Table 4.11 Crosstab analysis of experience with innovative ideas are recognized in the organization

| | 1-5 yr. | 6-10 yr. | 10-15 yr. | 16-20 yr. | 21-25 yr. | Total |
|-------------------|------------|----------|-----------|-----------|-----------|-------|
| Strongly agree | 0 | 2 | 8 | 1 | 1 | 12 |
| Agree | 1 | 6 | 2 | 1 | 2 | 12 |
| Neutral | 0 | 2 | 3 | 0 | 0 | 5 |
| Disagree | 0 | 2 | 4 | 1 | 1 | 8 |
| Strongly Disagree | 0 | 2 | 0 | 0 | 2 | 3 |
| Total | 1 | 14 | 17 | 3 | 5 | 40 |
| CHI SQUARE | SIG -0.072 | | | | | |

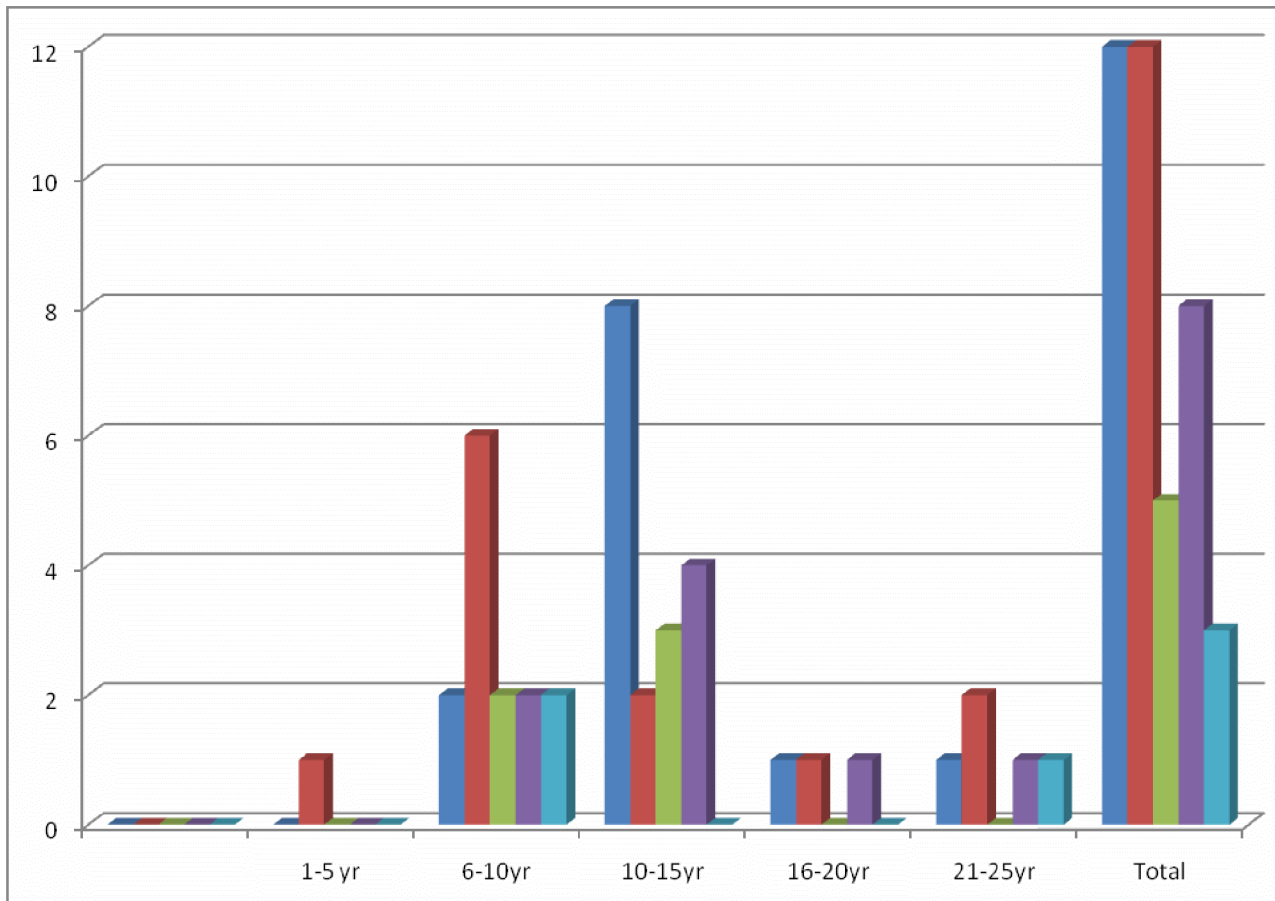


Fig 4.10

INTERPRETATION

20% of respondents who have 10-15 yr. of experience strongly agree with this statement, 5% strongly agree who have 6-10 yr. of experience, 5% of respondents in 6-10 yr. strongly disagree with the statement.

Analysis of Variance (ANOVA)

H_{50} -There exists no difference in perception among the gender on organizational learning.

H_{5a} - There exist a difference in perception among the gender on organizational learning.

An ANOVA test was run to establish to determine if gender of the respondent' had any significant impact on the variables of the study

| Factors | F value | Significance |
|----------------------------|---------|--------------|
| Managerial commitment | 2.094 | 0.156 |
| Openness & experimentation | 0.020 | 0.207 |
| Knowledge sharing | 0.315 | 0.888 |
| Systems perspective | 1.649 | 0.575 |
| Innovativeness | 0.220 | 0.641 |

INTERPRETATION

There exists no difference in perception of males and females on all the variables as the significance value is more than P value (0.05). Therefore no factor is emerging as significant. Our Null hypothesis gets accepted and alternate hypothesis is rejected.

Hypothesis testing

H₀ -Organizational learning does not have an impact on organizational innovativeness
 H_{0a} -Organizational learning has an impact on organizational innovativeness

The Pearson correlation was run to find out the relationship between the following variables based on the objective of the study .The result of the correlation was presented in the table below and is interpreted under the subsection that follows

| | | Organization learning | innovation |
|-----------------------|---------------------|-----------------------|------------|
| Organization learning | Pearson Correlation | 1 | .728** |
| | Sig. (2-tailed) | | .000 |
| | N | 40 | 40 |
| innovation | Pearson Correlation | .728** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 40 | 40 |

** . Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION

As observed from the table correlation is significant as it is less than P value (0.05) therefore our H₀ gets rejected and alternate hypothesis is accepted

Regression analysis

This was used to find the influence of independent variable on dependent variable. The independent variable includes managerial commitment, openness experimentation and knowledge sharing while the dependent variable is Organizational innovativeness

Table 4. 14 Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .757 ^a | .573 | .524 | 1.99070 |

Table 4.15 ANOVA

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 186.074 | 4 | 46.518 | 11.739 | .000 ^a |
| | Residual | 138.701 | 35 | 3.963 | | |
| | Total | 324.775 | 39 | | | |

a. Predictors: (Constant), knowledge transfer, system, openness, commitment

b. Dependent Variable: innovation

Table 4.16 Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|--------------------|-----------------------------|------------|---------------------------|-------|-------------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 4.743 | 1.180 | | 4.021 | .000 |
| | commitment | .127 | .123 | .197 | 1.032 | .309 |
| | system | .145 | .187 | .162 | .775 | .444 |
| | openness | .139 | .120 | .214 | 1.161 | 0.02 |
| | knowledge transfer | .328 | .094 | .421 | 3.491 | .001 |

a. Dependent Variable: innovation

Results show that 52 % of change in dependent variable is due to independent variables such as managerial commitment, knowledge transfer ,system perspective ,openness and experimentation but knowledge transfer & openness and experimentation is only statically significant predictor of organizational innovativeness (B=0.421, t=3.491,P=0.001)

SUMMARY OF FINDINGS

- Organizational learning is significant in the Organization as respondents have ranked knowledge transfer as high followed by openness and experimentation, system perspective ,openness and experimentation and lowest is managerial commitment
- Organizational innovativeness is significant as most of the respondents agree on the components of Organizational innovativeness
- Organizational learning has a significant relationship with age of the respondents
- Organizational learning does not have a significant relationship with the experience of the respondents in the Organization

- There exists no difference in perception among the respondents on the Organizational learning
- Organizational learning has a significant relationship with Organizational innovativeness as Pearson correlation coefficient is 0.72
- Knowledge transfer and openness and experimentation are significant predictors of Organizational innovativeness according to regression analysis

SUGGESTIONS AND RECOMMENDATIONS

Therefore, it is necessary the managers and other policy makers realize how organizational learning should be modified in order to facilitate organizational innovation.

Finally, in regard to modify the organizational structure towards organizational innovation, the following suggestions are given:

- Improving organizational innovation by creating informal relationships,
- Shifting from current planning systems to decentralized and new planning systems,
- Applying participatory decision making

approaches in which all stakeholders involve,

- Making informal control and monitoring without complicated organizational hierarchy,
- Making available training programs about organizational innovation process for both employees and managers employees' and managers' awareness as well as changing their attitudes towards organizational innovation through affordable educational programs.

CONCLUSIONS

From the descriptive statistics it was concluded that all five managerial practices, that are necessary for organizational learning, are used in Airports Authority of India on satisfactory levels. Almost they score high in all 5 constructs, which mean that their policies and procedures are aligned with those concepts that facilitate learning. The results of the current study show that organizational innovation has a significant positive influence on organizational innovation. Therefore, managers and business owners should consider the important role of organizational learning in improving the innovation of their organizations. It has been found that Knowledge transfer and integration, openness and experimentation have been the most significant influence on innovation. The results of the current study imply that all dimensions of organizational learning have a significant positive influence on organizational innovation. Therefore, organizational learning is an important concept need to be considered by managers, business owners and organizational research scholars. Innovation occurs when employees share their knowledge within the organization and when this knowledge was shared; it invents common and new visions in a diverging and converging process. In fact, we can say that the knowledge sharing and conversion indicates a new combination of knowledge which can lead to the opportunity exploration and organizational innovation.

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