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A CORRELATION ANALYSIS OF LEARNING ORGANIZATION AND CHANGE MANAGEMENT: IS IT A STRATEGY TO HAVE A COMPETITIVE ADVANTAGE IN YOUR ORGANIZATION?

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Abstract

For an organization to be competitive, employee involvement plays a significant role. As human wants and needs are always changing, it necessitates new products and services in the market. When it comes to external triggers; social, political, economic, and technological changes impact organizational policies and processes. To update these elements, organizations must have a learning culture by adopting a strategic move in its structure. A mixed-approach (theories and survey/interview) study with an investigation on change management and learning organization in selected industrial companies in the UAE, with a sample size of 400, aids to find the relationship between learning organization, change management, and competitiveness. The quantitative and qualitative analysis confirms the significance level of related dependent variables and the acceptance of hypothesis tests. Hence, organizations can utilize the model, strategic learning-change bundle that is crafted from this study towards its competitive advantage. Moreover, this study can further be analyzed with other change management variables as change is a continuous process.

Keywords

Learning Organization, Change Management, Strategy, Competitive Advantage

1. Introduction

This part discusses on competitive advantage and related sources for the study. Moreover, it generates an objective for the study.

1.1 Create a Competitive Advantage in the Organizations

According to Barney (1991), the term competitive advantage can be defined as “a firm is said to have a competitive advantage when it is implementing a value-creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy.” This makes a company unique by its vast experiences, acquired assets, built skills, and developed culture (Collis & Montgomery, 1995). An understanding of the resource-based view (RBV) helps to know about the link between organizational strategies and utilization of its resources (Wright & McMahan, 1992; Lado et al, 1994). One of the most significant contributions in the area of organizational learning was the identification of single-loop and double-loop learning by Argyris and Schon (1974,1978) and triple-loop learning by Hawkins (1991). Accordingly, Dixon (1999) defined organizational learning as the intentional use of learning processes at the individual, group, and systems-level to continuously transform the organization in a direction that is increasingly satisfying to its stakeholders. To add to this view, Fiol and Lyles (1985) argue that it is a process of improving actions through better knowledge and understanding, highlighting the collective situated nature of learning, in that it builds upon sharing insights, experiences, and memories to change behaviors and improve outcomes. Change-capable organizations encourage continuous learning as it is a chunk of the company’s strategy. Here, the organizations’ strategy must align with the politics of change, planning the implementation details, and fostering creativity and spontaneity. The questions that may arise for the organizations towards change management in this twenty-first century are; where are they now, what to change, when to change, how to make changes, how will they implement those changes, and with what strategies (Auster et.al, 2005). The first thing to be addressed in this concern is the assessment of environmental scanning and the contemporary phase of the organization. Furthermore, a link with internal operational structure namely; structure, leadership, HR practices, talent management, culture, and technology provides the position of the organization.

When it comes to addressing the 'what', it consists of system change, management change, and human dimension barriers (Gilley & Gilley, 2007). The differing organization values, organizational immune system, ineffective policies and procedures, non-involvement of employment in the decision-making, insufficient resources, and internal conflict are some of the system barriers that prevent changes in the organization. Besides this, leadership/management barriers are; lack of commitment to change, lack of rewards for change, inability to handle resistance, lack of ability to implement change, and so on. Moreover, inherent resistance to change, faulty assumptions to change, and lack of skill can act as human dimension barriers (Gilley & Gilley, 2007; Paton & McCalman, 2008). In this above background, it is the need of the hour to conduct a study based on the internal and external causes of change management, and the learning capacity of the organization to have a competitive position in the UAE. Hence, the objectives of the study are as follows;

- To identify the dependent variables of learning organization towards competitive advantage,
- To examine the change management strategies to have a competitive advantage,
- To correlate learning organization and change management towards a competitive advantage.

2. Literature Review

A detailed description of various latent variables and hypotheses to be tested are presented in this section.

2.1 The Notions of Learning Organization, Change Management, and Competitive Advantage

The triumph of any company inclines to its superior quality service/product, market-value, low cost, and innovation. Here comes the significance of competitive advantage that branding an organization towards success and sustainable growth. There are profuse literature supports the above view. It is not only from the most ingenious product design or service; the best marketing strategy; state-of-the-art-technology; savvy financial management, but from having the appropriate systems for attracting, motivating, and managing the human resources (Mercer, 1989; Lawler, 1992; Greer, 1995; Becker et.al, 2001; Weatherly, 2003; Krell, 2006). Still, it is a dilemma in organizations whether to invest or consider human beings as human assets. Adopting a learning approach in organizations in this unprecedented changing situation is a paramount and demands for a competitive advantage. The term learning organization is used to

describe an enterprise in which learning is open-ended, takes place at all levels, and is self-questioning. However, Organization learning is a descriptive device to explain and quantify learning activities and events taking place within an organization (Grobler, 2012). Relate to this, Marquardt (2002) stresses on the characteristics of a learning organization. Learning is a comprehensive approach by considering the organization as a whole; strategical processes with work; a culture that encourages rewards, creativity, continuous improvement, and accelerates individual and group learning; improves employee's network both inside and outside the organization; and uninterrupted access to information and data. Researches reveal that change management is a combination of hard and soft factors. The general notion is that HR activities are related to soft factors such as leadership, motivation, communication, and so on. Equally, these hard factors can be measured quantitatively with a DICE (Duration, Integrity, Commitment, Effort) approach (Harold et.al, 2005). The strategic move by General Electric on change management in its training program in 2007 highlighted the LIG (Leadership, Innovation, and Growth) approach towards its competitive advantage (Steven, 2007). In a study by Edwards et.al (2020) mention that as an internal factor, the top management elaborates the scope of the change process, but leaves the analysis, diagnosis, and solution development to the employees through a series of workshops. This model signifies employee engagement and ease of implementation. To support this view, Flinchbaugh et.al, (2020) conclude in their study that the role of flexible leadership theory in Human resource executives relational share, trust, and organizational architectures towards the success of change management in organizations.

2.1 Learning Organization

Moving from a non-learning organization to a learning organization is a challenging task. And it involves numerous processes and adequate coordination. One of the best models in HR practices is the learning organization model by Marquardt (2002), which consists of five related subsystems such as; learning, organization, people, knowledge, and technology. As a principal element of organizational learning, this can occur at three levels. The individual-level improves KSAOs (knowledge, skills, abilities, and other capacities) through self-study and the team level improves the same within a team. Moreover, experience, future changes, contingent approaches increases commitment towards tasks. As a second factor, organizational values, mission, culture, strategies, structure paves the way to the variety of learning. People are the backbones of an organization, which includes all stakeholders, managers, and leaders. The formal and informal

knowledge sharing by analysis and data mining, acquisition, transfer and dissemination, application, and validation are other sources of learning in organizations. It is illustrated below in Figure 1. Additionally, no organization can leave the technology in this digital era for its E-HRM or any other strategic processes. It also highlights the need for a Chief Learning Officer (CLO) in organizations to coordinate various subsystems (Sarvary, 1989; Daintry, 1998; Martinez, 1998; Elkele & Phillips, 2007). In this aspect, it is imperative to analyze the factors on the learning organization and this lead to the first hypothesis;

H1: The dependent variable learning organization has a significant role in the competitive advantage of the organizations.

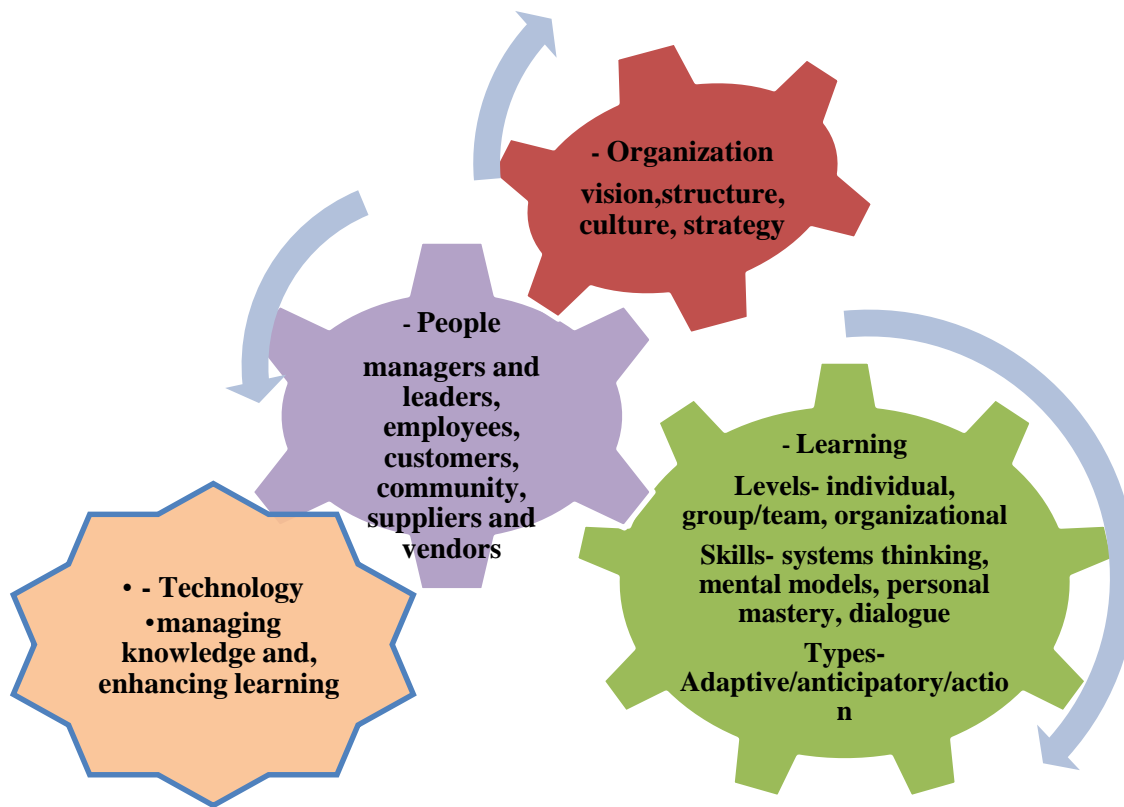


Figure 1: *The Learning Organization Model*

(Source: Marquardt, M.J. (2002). *Building the Learning Organization: Mastering the Five Elements for Corporate Learning*. Palo Alto, C.A.: Black Publishing:24-31).

2.2 Change Management

It is evident from the literature that if HRM is to function and to continue work from the bottom line, it requires a change from its traditional role (Sims, 2007). Moreover, it is equally

important that this change should react to human resources and contributes to its function. As mentioned above, it is a question of whether the above learning systems can contribute change to the organization. But still, some literature confirms that the changes adopted in the organizations fail to make an effective improvement due to lack of operative HRM policies and activities (Porras, 1983; Beer & Nohria, 2000; Gilley & Gilley, 2007; Johnson-Cramer et.al, 2007). To support this view, Dawson (2004) classifies internal and external triggers to organizational change.

Technological advancement aids to use new machinery and tools, increase automated work, reduce monotonous jobs, increase skilled workers, flexible work time, alternative workplace towards a better outcome. An increase in the number of customers can create change in the produce/service, and market diversification and penetration. Furthermore, managers and leaders need to restructure the administrative processes and redefine the authority and relationship to accommodate new work practices. When it comes to addressing the external causes, the amendments in the employment laws, equal employment opportunity Act, pricing regulations, compensation/ remuneration are the political factors. A common phenomenon nowadays is the economic downturn along with the level of unemployment, internationalization, mergers, and acquisitions, joint ventures, and upcoming of small and medium enterprises necessitates an economic change in the organization. As the next factor, social changes such as the aging workforce, population growth, and decline of population, change in the standard of living leads to changes management in organizations. According to Perry-Smith (2006), cultivating creativity in organizations can enhance the change management practices particularly in uncertainties and competitive stages. Besides this truth, it is also mentioned that there are limited researches related to creativity and organizational practices. To add to this, Carnall (2003) stressed the resistance of human factors in preventing change. Owing to the importance of these above-mentioned factors, the next hypothesis to test is;

H2: The dependent variable change management has a significant role in the competitive advantage of the organizations.

2.3 Competitive Advantage

There is no doubt that companies are in dramatic changes and face various challenges from both internal and external environments for their sustainability. To address those challenges, organizations are in a strategic move with a broad skill application; long-term planning; high-risk activities with experiments in novel approaches; recognize unstated needs; acting as a business

acumen; holistic organizational development and value human assets. Barney (1991) confirms that the company's various resources are financial capital resources, physical capital resources, human capital resources, and organizational capital resources. To support this view, there are numerous paradigms in the literature to highlight the role of HR in competitiveness (Winfrey et.al, 1996). Additionally, other approaches are; the resource-based paradigm (company-specific performance, motivation driven) (Ashton & Morton, 2005), the best-practices paradigm (compensation, selection, training activities, and company performance) (Becker & Gerhart, 1996), and the process paradigm (company attracts, socializes, trains and motivates, evaluates and compensates its HR activities) (Amit & Belcourt, 1999). Moreover, these paradigms need a learning organization (Delery & Doty, 1996). The universal acceptance of best practices leads to company consistency, as people come and go, but processes remain and improve the company. Besides, Lahiri et.al, (2008) stress that on four attributes such as global, innovation, virtual, and collaboration mindset can be used in organizations to cope up with globalization, rapid technology, and hyper-competition. In light of the identified relationship, the third hypothesis to clarify is;

H3: The variables learning organization and change management have a significant role in the competitiveness of employees and organizations.

3. Methodology

This part forms the blueprint of this study.

3.1 The Process

Numerous literature reviews on learning organizations and change management identify the need for internal and external process alignment and factors that are forced to have changes in the organizations. Based on this, the objectives have been crafted which has been mentioned at the end of the Introduction part. The study utilizes a mixed approach, which consists of a close-ended questionnaire (Table 1) generated from profuse literature, and interviews with managers and leaders by stratified proportional sampling method. It was a good opportunity and in-depth knowledge from a universe consists of 400 respondents, randomly selected, from various industrial sectors located in Dubai, UAE. The first task was to do a descriptive statistics of the measurements to estimate the reliability and validity of the measures used in the research. Initially, an input model was created using AMOS 18 graphics. Later, the study tested the proposed research model by assessing the contributions and significance of the manifest variables path coefficients. SPSS 20.0 was used to

analyze the response from the sample. Another measure, Structural Equation Modelling (SEM) provides a confirmatory approach to the analysis of a structural theory bearing on some phenomenon. Moreover, the hypotheses are statistically tested to examine its consistency with the data through the goodness of fit measures. This allows the examination of a series of dependence relationships between exogenous (*independent*) and endogenous (*dependent*) variables concurrently and it incorporates the strengths of multiple regression analysis, factor analysis, and multivariate ANOVA. This was done using the two-stage analysis in which the measurement model is first estimated and then the measurement model is kept fixed in the next step in which the structural model is estimated. The justification for this approach is that accurate representation of the indicators' reliability is best accomplished in two steps by avoiding the interaction of structural and measurement models. According to the usual procedures, the goodness of fit is measured by checking the statistical and substantive validity of estimates, the convergence of the estimation procedure, the empirical identification of the model, the statistical significance of the parameters, and the goodness of fit to the covariance matrix. Also, parametric statistics like one-way ANOVA and Z-test were used for comparison of the factors considered between different levels of the demographic variables. A level of 0.05 was established as a priority for determining significance. Stratified proportional sampling was used in collecting the data as the study consists of employees from varying demography, which helps to recognize the disparity in employees' outlooks on mentioned latent variables. Thus, various tests could confirm the significance level each measure to its latent variable and the latent variable to the independent variable. Moreover, all the hypotheses for the study have been confirmed. Thus, the theoretical aspects from the secondary data and practical analysis from primary data identified the gap in the selected companies. And, it created a bridge to solve those concerns with the help of a model that is illustrated in the conclusion.

4. Data Analysis

This section provides a detailed examination of independent and dependent variables and their related attributes that are utilized in the study.

4.1 The Exploration

As mentioned earlier, a Likert point scale questionnaire was distributed amongst the employees from the selected companies, and the related latent variables are expressed in below Table1.

Table 1: Measures for Latent Variables

Latent Variables	Related Factors
Learning organization	Q1. Do you have opportunities for systems development through inputs, processes, feedback?
	Q2. Do you have enough opportunities for competencies through skill and knowledge development?
	Q3. Do you have opportunities to work with leaders, managers, customers at your organization?
	Q4. Do you have opportunities to work in a team-learning environment?
	Q5. Do you have shared culture, values, and norms in your organization?
	Q6. Do you have enough opportunities for technological advancement competencies through skill and knowledge development?
Change management	Q7. Do you have a strong urge for learning from observing others, managers, leaders?
	Q8. Is your work monotonous or time-consuming?
	Q9. How extent you are socialized (informally) with your team?
	Q10. Do you have a flexible work environment?
	Q11. Are you creative/innovative in your workplace?
	Q12. Do your company emphasis on suitable rewards?
	Q13. Do you have a strong social network?
Competitive advantage	Q14. Do you feel that you are updated with changes around you?
	Q15. Do you feel that you have improved your knowledge, skills, and other abilities from this current organization?
	Q16. Do you feel your company has economic earnings?
	Q17. Do you feel that you have enough technology, building space, manufacturing facilities?
	Q18. Do you feel your organization provides quality services/goods to your customers?
	Q19. Do you feel that your company is adaptive to the place?
	Q20. Do you feel that your company values your ideas and work?

4.2 Reliability Test

As a first step, the collected data has checked for reliability test and is illustrated below in Table 2.

Table 2: Reliability Test

Variables	Cronbach's Alpha	Number of Items
Learning Organization	0.792	6
Change Management	0.797	7

Competitive advantage	0.761	7
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Source: Data Analysis

The values for each variable are above 7 and thus, it confirms the reliability of the factors for the study.

Table 3: Model Fit Indices for CFA

Variables	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Learning Organization	6.639	8	.576	0.830	.994	.978	.974	1.015	1.000	.009	.000
Change management	17.590	7	.014	2.513	.983	.934	.974	.951	.984	.008	.071
Competitive advantage	19.564	14	.145	1.397	.984	.960	.962	.977	.988	.006	.036
Recommended value				<5	>0.9	>0.9	>0.9	>0.9	>0.9	<1	<1

It is clear from the above table that the significance level has reached for all attributes taken for the study. The measurement model is good enough to conduct this study as the value of fit indices reaches its recommended value. To confirm, the regression coefficients for each variable were also analyzed, which is tabulated in Table 4 to Table 6.

Table 4: The Regression Coefficients – Learning Organization

Latent Variables (Dependent Variable)	Constructs (Independent Variables)	Regression Coefficient	t	P	Variance explained (%)
Learning Organization	LO1	0.172	2.994	0.013	2.9
	LO2	0.198	3.458	0.032	3.9
	LO3	0.423	7.778	<0.001	17.9
	LO4	0.112	1.938	0.054	1.2
	LO5	0.872	23.117	<0.001	76.1
	LO6	0.401	7.322	<0.001	16.1

The table confirms the significance level except for LO1, LO2, and LO4. As a next step, the study analyses the regression for change management.

Table 5: The Regression Coefficient – Change management

Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	T	P	Variance explained (%)
Change management	CM1	0.724	15.786	<0.001	52.4
	CM2	0.146	4.328	0.003	6.1
	CM3	0.599	11.919	<0.001	35.9
	CM4	0.586	11.573	<0.001	34.3
	CM5	0.163	2.834	0.005	2.6
	CM6	0.748	16.689	<0.001	56.0
	CM7	0.713	15.394	<0.001	50.8

Except for CM2 and CM5, all other attributes show significance in this type of learning as the value is <0.001 for all other attributes.

Table 6: The Regression Coefficients – Competitive Advantage

Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	T	P	Variance explained (%)
Competitive advantage	CA1	0.417	7.653	<0.001	17.4
	CA2	0.483	9.080	<0.001	23.3
	CA3	0.512	9.745	<0.001	26.2
	CA4	0.814	19.625	<0.001	66.3
	CA5	0.598	11.892	<0.001	35.7
	CA6	0.118	2.043	0.042	30.1
	CA7	0.549	10.632	<0.001	23.3

It is evident from the analysis that the construct CA6 has a regression coefficient of less than 0.4. Hence, only this construct has no significant influence on competitive advantage.

4.2 Hypothesis Test

The result from Structural Equation Model (SEM) establishes the influence of each latent variable to competitive advantage (H1 to H3) and is exhibited below as Table 7.

Table 7: Model fit Indices for CFA-Competitive advantage

Variable	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Competitive advantage	.471	1	.493	.471	.999	.992	.999	1.005	1.000	.023	.000

The value of the fit indices specifies a sensible fit of the measurement model with data. Moreover, the regression coefficient for dependent and independent variables is presented in Table 8.

Table 8: The Regression Coefficient - Dependent and Independent Variables

Path	Estimate	T	P	Variance Explained	Average Variance Extracted	Composite Reliability
Learning Organization→ Competitive Advantage	0.755	16.966	<0.001	57.0		
Change Management → Competitive Advantage	0.852	21.773	<0.001	72.7		
LO3 → Learning Organization	0.452	8.396	<0.001	20.4		
LO5 → Learning Organization	0.852	21.773	<0.001	72.6	32.25	0.56
LO6 → Learning Organization	0.414	7.590	<0.001	17.2		
CM1 → Change Management	0.722	15.714	<0.001	52.2		
CM3 → Change Management	0.589	11.652	<0.001	34.7		
CM4 → Change Management	0.583	11.495	<0.001	34.0	45.8	0.61
CM6 →Change Management	0.770	17.584	<0.001	59.3		
CM7 → Change Management	0.699	14.913	<0.001	48.8		
CA1 → Competitive Advantage	0.418	7.674	<0.001	17.5		
CA2 → Competitive Advantage	0.484	9.103	<0.001	23.4		
CA3 → Competitive Advantage	0.513	9.768	<0.001	26.3		
CA4 → Competitive Advantage	0.810	19.423	<0.001	65.6	31.9	0.54
CA5 → Competitive Advantage	0.598	11.892	<0.001	35.8		
CA7 → Competitive	0.557	10.831	<0.001	31.1		

Advantage						
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The values from the above table reveal that the regulatory construct, learning organization among employees has a significant influence on competitive advantage as the standardized direct effect of this construct is 0.755, which is more than the recommended value of 0.4 (p-value is significant). Similar to this, the values for other latent variable change management is 0.85, which confirms the significance level. While considering the relevant factors too, the outcome clarifies the significance as p-value is <0.001.

Table 9: Regression Coefficient – Competitive Advantage Variables

Path	Regression Coefficient	t	P Value	Variance Explained	Average Variance Extracted	Composite Reliability
Systems Thinking→ CA	0.904	25.742	<0.001	81.8		
Management/Leadership → CA	0.979	39.171	<0.001	95.8		
Shared Vision → CA	1.001	65.500	<0.001	100.2	91.1	0.60
Human Dimensions→ CA	0.945	30.725	<0.001	89.3		

The values in Table 9 clarifies that the p-value for all the factors has the significance level (<0.001) and reliability as 0.60.

5. Results and Recommendations

As an overall view, the result strengthens the assimilation of learning organization and change management practices in organizations towards a competitive advantage. It reinforces the attributes of four different mindsets in selected organizations with a view of global, innovation, virtual, and collaboration mindset in the organization (Lahiri et.al, 2008). It concludes that all these constructs contribute positively to competitive advantage. The values of the Confirmatory Factor Analysis (Table 3) confirms the significance of each attribute to latent variables such as learning organization and change management in organizations as the values relate to the recommended value. Moreover, Table 4 validates the regression analysis and significance level of learning organization in selected organizations as all the values are <0.001, except for LO1, LO2, and LO4. Thus, it throws light to the organization that if an organization to be a learning organization, they need to correlate, understand, plan, communicate, and mobilize all five subsystems namely;

organization, people, knowledge, technology, and learning (Marquardt, 2002). However, there are various hurdles in the selected organizations to maintain this mentioned high-level learning process. This situation calls for the position of a CLO in these organizations and supports the view of Marquardt, 2002. Also, Table 5 clarifies the correlation of change management attributes, where all attributes, except CM2 and CM5, show significance as the value is <0.001 . It supports the viewpoints of Dawson (2002) that selected organizations should consider the external and internal triggers towards change management. Hence, managers or leaders in the selected organizations are advised to address these triggers to prosper and persist in the long-term. For positively implementing this, various change processes such as change creation, change strategies, change the culture, change adoption, change leadership, and change feedback can be adopted in organizations.

The hypothesis tests from Table 7 to Table 8 confirm the significance of each latent variable to a learning organization. Furthermore, it clarifies the relationship of significant attributes to latent variables as well. The results reveal that the regulatory construct, learning organization in selected organizations have a significant influence on competitive advantage as the standardized direct effect of this construct is 0.755, which is more than the recommended value of 0.4 (p-value is significant). Hence, the hypotheses H1 has accepted and concludes that learning organization positively influences the competitiveness of the organization. In today's competitive global environment, the organization needs more knowledge workers who have a positive mentality to grow, to adapt, to change, and to adapt through formal and informal learning. Moreover, a three-way learning approach namely, adaptive, anticipatory, and action learning should be adopted in the selected organizations (Marquardt, 2002). Employees can develop new skills in self-directed learning, dialogue, time taken to learn, and the extent of converting policies to procedures. Likewise, the values for other latent variable Change management is 0.85, which confirms the significance level. Therefore, the hypothesis, H2, has accepted. While considering the relevant factors too, the outcome clarifies the significance as the p-value is <0.001 . The result supports the viewpoints of Dawson (2004) it is crucial to find the barriers to organizational change and create changes for those factors. Moreover, it edifies that change is inevitable and most of the employees/organizations are not inherently resistant to change (Carnall, 2003). This requires good communication and proper cooperation from the top management to all levels of employees and freedom for their feedback as well. Besides, the failures of changes in an organization can be fixed by the latent variables utilized in the study (Porrás & Robertson, 1983; Beer, & Nohria, 2000; Gilley & Gilley, 2007; Cramer et.al,

2007). Hence, the selected organizations should take an initiative to address these challenges, a continuous process in their all functions and operations. No doubt, there is an overwhelming scope in implementing these identified latent variables towards change management.

The upshot from Table 9 clarifies the p-value for all the factors, which are the byproduct of competitive advantage, have the significance level (<0.001). The values for these variables are 0.90 for systems thinking, 0.97 for management/leadership, 1.0 for a shared vision, and 0.94 for the human dimension. Therefore, the study confirms that organizations to be competitive in this unprecedented economy, companies should be at pace in their procedures and learn increasingly from both successes and failures. Also, it identifies the change in the mindset in four levels; global, innovation, virtual, and collaboration (Lahiri et.al., 2008). The involvement of employees in the decision-making, utilization of all resources, negotiations for conflicts, improving adaptations can lead to effective system thinking. It is obvious from the p-value of the shared vision (Dawson, 2004). The p-value for leadership also confirms its pivotal role in competitive advantage, as leaders represent the fundamental learning unit in organizations. Because few leaders understand the complexities of the change processes, execution methods, or acceptance of employees' feedback, and lack of a total rewards system can resist competitive advantage. It necessitates a transformational leadership in the selected organizations. Thus it aligns with Dawson's (2004) leadership barriers to change. Consequently, the shared vision proves the significance of the organization's subsystem to have competencies in the organization (Marquardt, 2002). This setting has a vital role to focus on new ideas, notions, the company's structure, strategies, culture, and it should be clearly articulated by the corporates/ top management to all employees dynamically and flexibly. An equally important factor to be considered is the human factor; to motivate to change their inherent resistance, and to improve the KSAOs of employees and this is confirmed from the value of the regression coefficient, i.e. 0.94 (Winfrey et al, 1996). Hence, the hypothesis H3 is also accepted. By adopting these practices in the selected organizations, human dimensions can be improved and create a learning organization to change (Gilley & Gilley, 2007). This supports the view of Barney (1991) the value of human capital resources towards a competitive advantage. Those organizations emphasize on learning theories have multiple benefits namely; create individual ability to understand the structure, process, and strategies of work and work environment, harvest high level of expertise in specific skills, build a shared vision to a common future and, foster commitment, communication, interaction and individual empowerment by team learning.

Moreover, the three paradigms; RBV, the best-practices, and the process paradigm can act as fuel for the HR practices (Stewart, 2005; Becker & Gerhart, 1996; Amit & Belcourt, 1999). The employees can thus have a hedonic and normative intrinsic motivation in their workplace, which creates a conducive work environment.

6. Conclusion

In all sense, the study sheds light on the growing importance of HRM as a basis of competitive advantage. First, it addressed the meaning of two latent variables, learning organization and change management, then, on the independent variable competitive advantage in organizations. The literature review provided a variety of notions in latent variables with a highlight on the model of a learning organization with five levels, the internal and external triggers, and three barriers commonly seen in organizations as a measure of change management. The competitive advantage as an independent variable, it recognizes the significance of various capital resources in organizations. With respect to HR's role in gaining a competitive advantage, it addresses three paradigms in facilitating the development of competencies that are company-specific. Moreover, it distinguishes four mindsets to be considered in this era of Big Data and cut-throat competitive world. The survey and interview provide a piece of in-depth information in a pragmatic way to explore the subjective and objective spirits of employees from randomly selected companies. As a first step, the Cronbach's alpha confirms the reliability of the variables. The SPSS 20.0 aids to find the correlation of latent variables by CFA and SEM. The regression analysis confirms the significance level of variables as <0.001 except for some points, which has been explained earlier. Finally, the results and recommendations have provided in detail for maintaining competitiveness in the selected by two strategies, learning organizations and change management paradigms. Figure 2 has crafted as a result of this study and can be introduced in the selected organizations to have a competitive advantage.

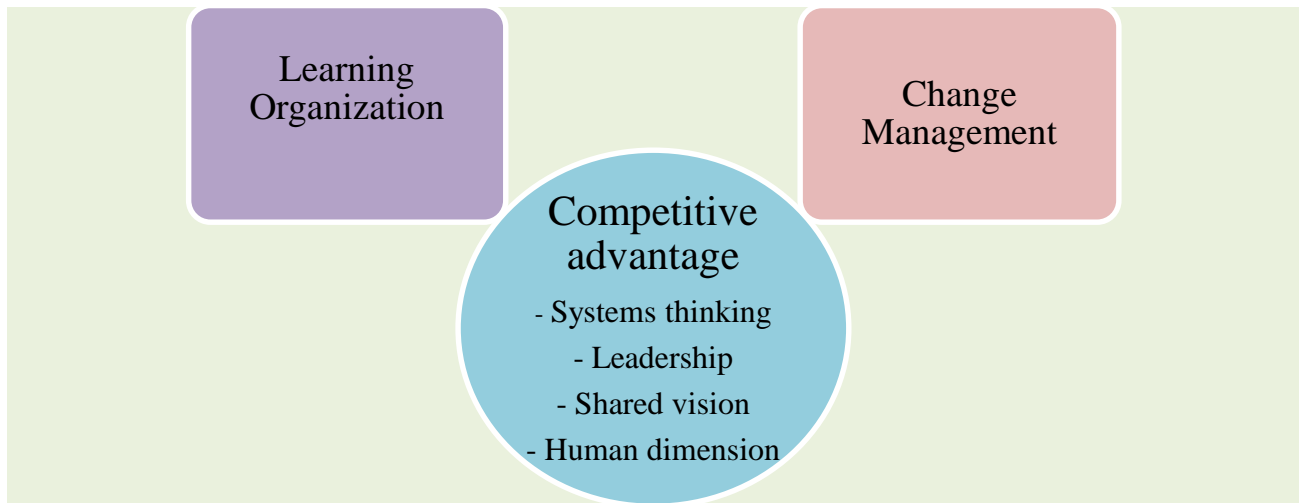


Figure 2: A Strategic Learning – Change Bundle

(Source: Findings from the study)

6.1 Limitations of the Study

As change management is a challenging task to implement, some of the respondents may resist this type of questionnaire. Moreover, this type of study necessitates a long period of time to examine the changes happening in the companies as this study took only four months to get the responses. Another hindrance is that some of the employees are newly joined so they need more time for learning and change their inherent character.

6.2 Future Scope of the Study

The identified factors can be measured by using appropriate metrics. So an HR scorecard linked to a business scorecard can be developed. So that this can be quantified more effectively in organizations to monitor the changes occurred/occurring in organizations. Moreover, this study has more possibilities in evolving paradigms of E-HRM and therefore, a lot of contemporary issues in organizations can be solved through learning and change-ability strategies.

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