Why we must EAT to grow: The employees’ perspective of senior leader influence on organisational learning.

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ABSTRACT

In the current century, organisations are facing unprecedented changes in their working environments. In order to remain viable, organisations must learn to adapt to the changes they face. This exploratory paper investigates the influence of senior leaders on organisational learning. Data for this paper were based upon qualitative research utilizing a case study of an Information Technology company. By employing an Explorative, Applicative, and Transformative (EAT) learning framework, and Bass & Riggio’s (2006) model of transactional and transformational leadership, the findings illustrate the direct influence of senior leaders on organisational learning. In particular, how senior leaders influence the connection participants have with the learning process, and the association of leadership styles with the explorative, applicative, and transformative learning themes.

Key Words: Active Learning, Knowledge Management, Leadership Development, Management Education, Organisational Learning, Transfer of Learning.

In the current century, the world is changing at an ever increasing rate. Not only is change “happening faster, it is more dramatic and dynamic than ever before” (Adcroft, et al., 2008, p. 40). For organisations, many are only now awakening to the future which consists of seismic changes in business operating environments, workforce demographics, and levels of employee mobility (Herstatt, et al., 2009). Moreover, as we live in an ever increasingly globally intertwined world (Barbu & Nastase, 2010), changes people and organisations face are often influenced by others (e.g., companies, industries, regulations) from different countries. Therefore, if organisations wish to effectively compete and stay relevant in the market place, they need to be able to learn both internally (e.g., by improving systems and processes) and externally (e.g., learning about competitors, and market demands and trends) (Grobler, et al., 2006). Based upon the findings from a case study, the purpose of this paper is to illustrate what influence a company’s senior leaders have on organisational learning. This will be achieved firstly by using a theoretical framework adapted from Lichtenhaller (2009) which covered explorative, transformative, and exploitative learning. For the purpose of this paper, the term applicative learning will be used instead of exploitative learning because of the potential negative connotations associated with the word ‘exploit.’ With the underlying premise of learning and adaption, participant
comments, and the change in wording, the Explorative, Applicative, and Transformative (EAT) framework was developed. While the EAT framework is similar to Lichtenthaler’s (2009) model regarding the exploration of new information and the application of new found knowledge, it has two significant changes pertaining to transformational learning. The first relates to the positioning of transformative learning as a stand alone component. That is, rather than transformative learning acting as a conduit between the explorative and applicative learning themes (Lichtenthaler, 2009), it is placed as a separate theme after explorative and applicative learning. This placement is more appropriate because the ‘transformation’ of knowledge takes place after exploring for information, and the application of knowledge. The second change enhances Lichtenthaler’s transformative theme by widening the focus from an organisation’s ability to maintain and reactivate existing knowledge, to also encompass the ability and willingness to test ideas and assumptions. The EAT framework will also be supplemented by Bass & Riggio’s (2006) transactional and transformational model of leadership. The theoretical framework is followed by the research question and methodology. Next, the research findings and discussion are presented. To conclude, a brief outline of research recommendations for academia and managerial practitioners are suggested.

THEORETICAL FRAMEWORK

Based upon the premise of learning and adaption, this section will provide a brief outline of the existing literature pertaining to organisational learning, and the possible influence of senior leaders on such learning.

Organisational learning

Organisational learning, as a concept, has received an increased level of interest in recent years (Crossan, Lane, & White, 1999). The premise of learning (in particular continual learning) is constantly growing in importance within organisations because of the ever changing environment in which they operate (Tonder, 2004). As a result, organisations need to be able to learn both internally (e.g., improving systems and processes) and externally (e.g., learning about competitors, and market demands and trends) if they wish to effectively compete and stay relevant in the market place (Grobler, Grubner, & Milling, 2006).
While one of the contentious issues surrounding the concept of organisational learning is the lack of a generally accepted definition (Foil & Lyles, 1985), for the purpose of this paper, organisational learning will be defined as:

“one that has embedded a continuous learning process and has an enhanced capacity to change or transform. This means that learning is a continuous, strategically-used process – integrated with, and running parallel to, work – that yields changes in perceptions thinking, behaviours, attitudes, values, beliefs, mental models, systems, strategies, policies and procedures. Learning is sought by individuals and shared among employees at various levels, functions, or units. As a result, learning is embedded in an organisations memory of past wisdom, current repertoire of beliefs and actions, and future thinking processes (Watkins & Marsick, 1992, p. 128).

Although the literature in the field of organisational learning provides a wide variance in what constitutes learning, many recent articles have focused on three key areas. These include explorative, applicative (exploitative), and transformative learning (Lichtenthaler, 2009; Yukl, 2009).

**Explorative learning**

Explorative learning refers to knowledge acquisition and the ability to recognise external knowledge (e.g., through scanning the environment for new technologies, market trends, and industry information), and assimilating the knowledge back into the organisation (Lichtenthaler, 2009; March, 1991). Research by Danneels (2002) notes that exploring and being able to innovate allows organisations to build a capacity of adaptability and flexibility, and an awareness of the changing environment. Moreover, explorative learning can be viewed as the ability to interact with the external environment, rather than simply being ‘affected’ by it (Alegre & Chiva, 2008). While a key aspect of an organisation’s explorative learning is in the search of the external environment, another facet relates to assimilation of knowledge back into the organisation (Lopez, Peon, & Ordas, 2005).

The assimilation of knowledge relates to the ability of an organisation to integrate the new knowledge back into their existing knowledge base (Lenox & King, 2004). While there is little known about the
process of assimilating new knowledge back into the organisation (Nevis, Dibella, & Gould, 1995). Ulrich, Von Glinow & Jick (1993) suggest that existing knowledge is useful in the assimilation process. This is thought to be because it allows people within the organisation to draw off past assimilation experiences and problem solving methods (Ulrich, et al., 1993).

**Applicative learning**

The second area of organisational learning is that of applicative learning. Applicative learning refers to the ability for organisations to apply and transform the assimilated knowledge into new products, services, and organisational systems and procedures (Lichtenthaler, 2009; March, 1991). Although widely referred to as exploitative learning in the literature (March, 1991), for the purpose of this paper, the word ‘exploitative’ will be substituted with ‘applicative’ due to the differing (and potentially negative) connotations associated with the term ‘exploit.’

Within the applicative process, Lichtenthaler (2009) suggests there are two stages. The first is the conversion of newly assimilated knowledge. For organisations, it is critical that they learn and understand how to convert what they have learnt into something useful and/or valuable (Marsh & Stock, 2006). The second critical aspect is the application of new knowledge. This is because organisations that are able to apply the assimilated knowledge are in a better position to achieve superior innovation production processes and outputs (i.e., products and services) (Zahra & George, 2002). Although the concept of application may sound logical, some firms fail to apply new found knowledge (Yukl, 2009). For example, a study by Ulrich, et al. (1993) found that while an Australian division of a multinational firm applied a new programme – which allowed for a 25% market share increase – the other divisions (in Europe and the U.S.) did not apply that specific programme. This is even though it would have potentially been more effective in those divisions (as they had larger markets).

**Transformative learning**

The third key area of organisational learning relates to transformative learning. Transformative learning relates to the maintenance and reactivation of knowledge over time (Lichtenthaler, 2009). This aspect of
organisational learning is important for organisations because knowledge management and retention not only assists organisations to develop new and innovative products (the outcome), but also influences the way the firm was able to “apply knowledge developed in prior new product development projects” (Marsh & Stock, 2006, p. 431) (the process).

In addition to the retention of knowledge, transformative learning also relates to how organisations change the way they think (e.g., their assumptions) and the way they value learning. This is important because it can help organisations to delve into the underlying norms, and to question why things are done in a particular way. These actions can then result in creating an organisational culture which is open, engaging, creative, and encouraging of discovery (Argyris, 1990). Moreover, within these types of environments, individuals can largely feel free to “speak honestly and act with fewer defences [which] can transform an organisation’s ability to innovate and excel” (Lumpkin & Lichtenstein, 2005, p. 464).

**Influence of senior leaders within an organisation**

While it can generally be agreed that the majority of employees in a firm are valuable and contribute to the overall success of a company, it can also be argued that it is the senior leaders within a company who have the most impact of how the firm operates (Jansen, Vera, & Crossan, 2009; Kurland, Peretz, & Hertz-Lazarowitz, 2010). This is because it is typically the senior leaders who set the direction and are seen to have the ultimate accountability of the success or failure of the company (Kurland, et al., 2010). While not specifically outlining titles, articles generally refer to management at the CEO level, top executives, and top level managers (e.g., General Managers) as ‘senior leaders’ (Vera & Crossan, 2004). Based upon the existing literature, the two leadership styles of most prominence pertain to transactional and transformational leadership (Bass & Riggio, 2006; Zagorsek, Dimovski, & Skerlavaj, 2009).

**Transactional leadership**

Transactional leadership typically “focuses on promoting the individual interests of the leaders and their followers…by establishing objectives and monitoring and controlling the results” (Garcia-Morales,
Jimenez-Barrionuevo, & Gutierrez-Gutierrez, 2011, p. 1). The transactional leadership style can also be viewed as a set of ‘economic transactions’ in which the relationship between a leader and an employee is based upon the application of “rewards and punishments to encourage performance” (Zagorsek, et al., 2009, p. 37). While it can be argued that transactional leaders (through their ‘monitor and control’ approach) could potentially reduce levels of innovation and organisational learning (Lee, 2008), there is evidence that transactional leadership (e.g., through setting targets, and rewarding contingent on outcomes) is necessary to achieve the desired organisational goals and objectives (Vaccaro, Jansen, Van Den Bosch, & Volberda, 2012).

As illustrated in table 1, transactional leadership, in a sense, is largely focused upon a manager/leader. That is, what rewards and benefits will necessary to offer to employees, how will standards (e.g., of tasks and objectives) be met and managed, and what level of involvement will a manager/leader be required to have with their employees (Zagorsek, et al., 2009)?

Transformational leadership

Transformational leadership is based upon “the style of leadership that heightens consciousness of collective interest among the organisation’s members and help them to achieve their collective goals” (Garcia-Morales, et al., 2011, p. 1). The transformational style of leadership is of importance for organisational learning because it provides people within the organisation a sense of direction, energy, and support for processes of change and organisational learning (Garcia-Morales, et al., 2011). This is because leaders/managers who exhibit transformational leadership are typically able to “inspire trust, loyalty and admiration in followers” (Zagorsek, et al., 2009, p. 148). For example, a study investigating the relationship between organisational learning and leadership styles in 44 community health clinics found that senior leaders who applied a transformational leadership style, in turn, increased levels of employee aspiration and interest. These heightened levels of aspiration and interest displayed by employees lead to a culture within the organisation that was supportive and embraced the concept and importance of continual learning and adaptation (Amitay, Popper, & Lipshitz, 2005).
As illustrated in table 2, transformational leadership tends to focus on the employees. That is, transformational leaders/managers focus on creating a shared vision and direction for the future, encourage a collective set of organisational values, and foster a collaborative environment (Zagorsek, et al., 2009). In addition, with a transformational leadership approach, employees are engaged through intellectual stimulation, and are offered individualized support to achieve tasks and objectives (Bass & Riggio, 2006).

**Integration of transactional and transformational leadership**

Despite there being a substantial amount of literature highlighting the difference between transactional and transformational leadership (Bass, 1985; Bryant, 2003; Vaccaro, et al., 2012), it is also contended that transformational leadership is built upon a base of transactional leadership (Avolio, 1999), and that the two leadership styles complement each other (Tsai & Su, 2011). For example, in a study by Vaccaro, *et al.* (2012) which analysed 1000 Dutch firms (from a variety of industries) in regards to their top management teams, their findings illustrated that “leaders who inspire team success and develop trusting and respecting relationships [do so] based on common goals [and through] management practices, processes or structures” (2012, p. 44).

**RESEARCH QUESTION**

Based upon the premise that senior leaders have a significant influence on an organisation’s viability, and the necessity for an organisation to be able to learn and adapt, the following question was developed: *what influence do senior leaders have on organisational learning?*

**METHODOLOGY**

Using the EAT learning framework, Bass & Riggio’s (2006) model of transactional and transformational leadership, and the research question as a guide, the following section will briefly outline the research methodology used for collecting and analyzing the data presented in this paper. The EAT learning framework and the transactional and transformational leadership model were used
because they (and/or similar variances) have been acknowledged to be effective lenses in which to
examine the relationship between leadership styles and organisational learning (Bryant, 2003).

Data for this paper was collected using a case study approach which included in-depth semi-structured
interviews, archival documents and blogs. Interviewees for the case study were selected from one New
Zealand Information Technology (IT) company. Within the last four years, the IT company under study
expanded its business activities from solely being a distributor of electronic equipment, to now
operating in the education and retail sectors. As a result of numerous changes in the market place and
the new business direction, the company has recently undergone a major restructure. The value from
using this particular company is based upon the fact that most of the senior leaders within the
organisation were recently recruited to improve many facets of the business. The participants for this
research were purposefully selected because of their position within the company. In particular, the
participants were the direct reports to one or more senior leaders within the company. The four
participants represented 40 percent of the total number of senior leader direct reports. The recruitment
process was through initial contact with the General Manager of Human Resources. Using the company
contact list, invitation emails were sent to a pool of potential participants. It was those potential
participants who could then respond and/or accept the interview invitation.

Interviews were semi-structured and utilised open-ended questions (see appendix 1 for the interview
questions). The semi-structured interview approach allowed all interviewees to have the same
fundamental set and sequencing of interview questions (Bryman & Bell, 2007). The method of
recording participant responses was through digital audio recording. Having an audio recording allowed
for an accurate and thorough recount of what had been said by participants during the interview process
(Bryman & Bell, 2007).

Under the qualitative umbrella, and using a thematic analysis approach, participant interview responses
were categorised under the three themes of explorative, applicative, and transformative learning. To
identify how the leadership styles of senior leaders influenced learning, participant responses were
categorised under Bass & Riggio’s (2006) transactional and transformational leadership themes. The
analysis of participant responses was based upon Braun & Clarke’s (2006) six stage process of thematic
analysis. Key elements of the process included becoming familiar with the data (e.g., during and after transcribing the interviews), generating initial codes, searching and reviewing categories, and defining and naming those categories. Throughout this analysis process, NVivo 9, a software package was used to assist in clustering, the removal, and renaming of categories. The theming process continued until the categories appeared to handle and/or cope with new data without making ongoing updates or changes (Dey, 1999). An important aspect regarding the analysis process was that participant responses maintained their integrity (i.e., maintaining the context and meaning given by participants). This was achieved by coding whole sentences and phrases from participant responses (Gomm, 2004). Some of the categories of most prominence related to communication, relationships, organisational culture, and the influence of manager control over tasks and organisational processes.

FINDINGS AND DISCUSSION

Based upon the EAT framework, and using the aggregated responses from participants and archival documents, the following section will discuss the findings pertaining to the influence of senior leaders on organisational learning.

Employees’ perceptions regarding senior leader influence on explorative learning

Explorative learning was largely influenced by the senior leaders applying a transformational leadership approach. In particular, the first component pertaining to senior leader influence on scanning the environment relates to communication. Based upon participant responses, there appeared to be a large disparity between when, how, and why senior leaders influenced the communication of information. For example, three of the participants expressed a view that their manager would actively encourage people to share any information they had found. This active encouragement was through having regular meetings where people could come together and share what they were doing, any issues they may be encountering, and have discussions about the future. An important factor surrounding communication was the senior leaders’ influence on the candour and openness exhibited during conversations. In contrast, one participant commented that poor communication (as influenced by senior leaders) also had an adverse affect on the way information is sourced and brought back into the organisation. One reason for this was because senior leaders with poor communication could actually create confusion and
negative attitudes as a result of uncertainties and the inadequate communication of expectations. This finding is similar to those of Amitay et al. (2005) where organisations with transformative leaders (who were open and communicative) had heightened levels of employee aspiration and interest. Moreover, the findings of this study add to those of Amitay et al. (2005) in the way that participant responses illustrate how their manager plays a pivotal role in fostering a culture where people can feel free to share information. For example, three of the four participants accredited their managers with being open, approachable, and able to foster a supportive climate. As one participant noted, “so it’s really been quite a lot of empowerment…, which has been good…. you wanted to be part of that team.”

The second component regarding senior leader influence on explorative learning pertains to employee emotions and the meaning they get from their work. While the majority of participants were encouraged to embrace their talents and passions during the process explorative process, one participant provided a contrasting remark in that their manager built apathy and resistance toward exploring for new information. This being said, the overwhelming positive sentiment expressed by participants was achieved by their managers allowing people to take their own journey, and not to engage in organisational ‘red-tape.’ As one participant commented, “you know ultimately those results would be used. There is nothing worse than spending all this time doing something that will just get shelved.” As a result, participants expressed their opinion that they felt connected to the learning process and journey. This supports the findings of Vaccaro et al. (2012) who asserts that members’ feelings of meaningfulness is maintained by transformational leaders who help off-set the potential bureaucracy of larger organisations. What is encouraging is that it contradicts the findings of Koene, Vogelaar & Soeters (2002) who advocates that the impact of a leader on organisational learning decreases as an organisation’s size increases. This was said to be because the senior leaders in a large organisation can “take advantage of pre-existing structures, systems, and procedures” (2002, p. 221). A possible explanation for the difference in findings relates to the industry of the organisation. That is, it can be argued that an IT organisation may operate in a sector which changes more rapidly than the supermarket sector; and therefore, systems and procedures may need to change faster as a result.
Employee perceptions regarding senior leader influence on applicative learning

Senior leader influence on applicative learning primarily related to transactional leadership, and was based around monitoring and control. From participant responses, there was generally a positive sentiment that their managers’ active monitoring of tasks and processes was a positive thing. In particular, participants made comments that their manager influenced organisational learning through the setting, monitoring, and reinforcement of performance outcomes. As a result of the active monitoring, participants commented that they were then able to have a clear vision of the future, and an awareness of the goals and objectives needed to meet that ‘vision.’ One reason for the finding may have related to the active participation employees had in the creation of their own goals and objectives. This conclusion would support the findings of Kim & Lee (2011) who notes that employees are more likely to be driven toward goals if they have been set and clearly defined, and that they were mutually agreed upon.

In contrast, one participant voiced a negative sentiment that the type of monitor and control exhibited by their manager actually fostered negative attitudes and behaviours. For example, there was a building of an opposition towards applying new knowledge, creation of employee dependency, and the showing of a lack of accountability. This was especially apparent when in his/her opinion, the pressure and additional workload meant that they decided to hand-over various decisions for their manager to make. While some authors may argue that providing new work and allowing people to become independent can potentially empower and ‘stretch’ people (Goodnight, 2004), the influence this particular manager had was on reducing the desire or willingness for the participant to ‘think’ for themselves. This finding supports the views of Morhart (2009) who advocates that actively managing people can result in ‘compliant’ employees, and the results of Lee (2008) who argues that a ‘monitor and control’ approach to transactional leadership can potentially reduce levels of innovation and organisational learning.

In addition to manager control, most participants noted that the level of accountability placed on them from their managers was important in the applicative learning process. This was because they felt that in addition to the accountability placed by their manager, they also had accountability from their peers. As one participant noted, “it’s [the objective] quite visible. You don’t have a ‘we talked about it but I
decided that I wasn’t going to do it.’ So there is no escape.” This being said, while accountability can be seen as positive for learning, one participant challenged the underlying premise of accountability. S/he noted that while accountability was discussed (with the manager) and seemingly valued, the reality was that if s/he had not met an objective, their manager did not hold him/her accountable. As a result, complacency in their work grew, and candid conversations about any underlying issues or problems were not discussed. This finding is similar to the study by Mazutis & Slawinski (2008) who argued that senior leaders are in a position to both influence the way organisational values are espoused and the way they are achieved.

Another aspect of senior leader influence on applicative learning related to support. Some of the areas of support included formal training and development and time away from daily work activities to develop their own personal capabilities; which could then be applied to the workplace. In addition, the individualised sharing of information, and individualised assistance (e.g., taking time to make sure people were okay, and learning about people and their business) were also viewed as support mechanisms. For example, in one instance, a manager was able to use their past and current connections in order to coach one of the participants through a negotiation process. In doing so, the participant could then not only make the necessary ‘transaction,’ but was then prepared with the specific knowledge and connections to deal with similar situations. This supports and further complements the findings of Farh, Gong & Huang (2009) who noted that “individualised consideration [of] transformational leaders show empathy, consideration, and support for employees, which [can] help overcome the fear of challenging the status quo [and] lead to higher creativity” (2009, pp. 767-768).

Employee perceptions regarding senior leader influence on transformative learning

Transformative learning was primarily influenced by senior leaders employing a transformational leadership approach, and was largely based on senior leaders encouraging intellectual stimulation via the ability to test and challenge ideas and assumptions. For example, participants noted that the ability for their managers to ‘test’ and ‘challenge’ ideas and assumptions, in turn, played a profound role in the way they – the participants – questioned current processes. One way this was achieved was through participants’ managers actively testing assumptions and challenging old organisational ‘myths and
What was interesting was that this not only occurred at the individual level, but also at a departmental level. This was because participants felt that their managers promoted creativity by encouraging the communication and collaboration within both teams and departments. This finding supports Waldman & Yammarino’s (1999) assertions where transformational leaders who encourage intellectual stimulation in uncertain and turbulent environments, have the support and encouragement of employees to challenge the status quo. As a positive finding, participants also commented that their managers were also actively involved in the challenging process (i.e., facilitating the meetings in which participants challenge existing assumptions). In particular, participants noted that their managers became facilitators in guiding people through the challenge process. This result challenges many assumptions about change being ‘forced’ upon others (Cable & Furst, 2008), and that change is often inherently feared (Cao, Han, Hirshleifer, & Zhang, 2011).

In addition to intellectual stimulation, participants also noted that their manager created an environment where relationships assisted the transformative learning process. For example, participant comments illustrated that their managers’ had built a level of trust and respect by saying that their manager would ‘go in and bat for you;’ and that if their manager was going to do something, they would always come through for you. In addition to the relationships between participants and their managers, participants also expressed how their manager encouraged the development of relationships between participants and their peers throughout the organisation. While idealised influence – as related to transformational leadership – covers a wide spectrum of areas such as feelings of admiration, respect, and trust, the broad umbrella does reflect the importance of relationships. Participant comments pertaining to relationships support the findings of Jansen, George, Van den Bosch & Volberda (2008) who advocates for ‘social integration’ within a group. This is because social integration has the potential to create a sense of attraction and satisfaction within the members of an organisation. Moreover, this research appears to endorse the work of Taylor, Templeton & Baker (2010) who asserts that social integration is largely a function of how senior leaders create a safe environment for the exchange of knowledge, ideas, and skills.
Employee perceptions regarding senior leader influence on the integration of transactional and transformational learning

From participant comments, it can be seen that while there are some subtle differences between transactional and transformational leadership, the reality is that they are not necessarily mutually exclusive. This is because transformational leadership was seen to be built upon a base of transactional leadership (Avolio, 1999), and that the two leadership styles exhibited by participants’ managers actually complemented each other (Tsai & Su, 2011). One illustration of the combination relates to the active/constant monitoring and control of participant tasks (transactional leadership) being built upon with inspiration and trust (transformational leadership). For example, participants often commented during interviews that their managers would take an active and supporting role while trying to achieve various organisational goals and objectives. This supporting role not only gave guidance, but also allowed trust to be built between participants and their managers. This is similar to Vaccaro et al.’s (2012) research which illustrated that in the setting of goals and maintenance of management practices, leaders were able to provide inspiration and to develop relationships built upon trust and respect.

Based on the data from the case study and the participant interviews, an EAT model has been developed. This model consists of the three areas of organisational learning pertaining to explorative, applicative, and transformative learning. The development of the EAT model was based upon two important assumptions. The first relates to learning being a continual unending process. As represented by the three loops and their corresponding arrows, learning is a continuous cycle. The second assumption relates to viewing organisational learning as an inter-connected ‘system.’ That is, each learning theme can have an influence on the other two themes. This continual and inter-connected system is in contrast to viewing organisational learning as a linear process, and one in which each theme acts in isolation to the others.

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CONCLUSIONS

The topic of organisational learning has been studied for over 30 years (Foil & Lyles, 1985), and due to the rapidly increasing speed of change in the marketplace, interest in the topic will likely remain for many years to come. The purpose of this paper was to outline the influence of senior leaders on organisational learning, and to offer insights for both academia and managerial practitioners. By employing the EAT learning framework, and Bass & Riggio’s (2006) model of transactional and transformational leadership, the findings have shown that senior leaders have a direct influence on organisational learning. While this finding was expected, the results provided a number of interesting insights into how senior leaders influenced the organisational learning process. In particular, how senior leaders influence the connection (e.g., emotional connections) participants have with the learning process, and the association of the transactional and transformational leadership styles with the explorative, applicative, and transformative learning themes.

The first area of learning to be analysed was in relation to explorative learning. The primary ways in which leaders influenced the exploration and assimilation of knowledge was primarily through transformational leadership such as building relationships, communication, and departmental culture. What is compelling about the current findings is the influence of participants’ managers on fostering an environment of communication and collaboration. This is because the managers’ ability to do so, in turn, influenced participants’ willingness toward sharing information, and their attitudes about exploring for information. Moreover, what is also encouraging is that the senior leaders were able to have participants build emotional connections (e.g., using their passions) in the exploration process.

The second area of learning to be outlined was in relation to applicative learning. Participant comments illustrated that, unlike the use of transformational leadership in explorative learning, transactional leadership through manager monitoring and control was the primary influence on the application of knowledge. In addition to the monitoring and controlling approach, participants also acknowledged that their managers were more than willing to provide the necessary support to achieve their various goals and objectives.
Following on, the third area of learning to be discussed was in relation to transformative learning. It was shown that senior leaders’ transformational leadership styles had a major influence on fostering an environment where the testing and challenging of assumptions was encouraged. Moreover, participants also commented that a sense of trust and admiration for their manager was also a large factor in the transformational learning process.

Based upon the current findings, there are recommendations for both academia and managerial practitioners. For academia, it is suggested that research can focus on the role employees have on the development and implementation of organisational systems and processes. This is because participant responses highlighted that organisational learning was heavily influenced by relationships, communication, and organisational culture. In addition, as there continues to be an increased push toward studying technology and automation – such as e-learning and information systems – there is an opportunity to study this under researched area (Erdogmus & Esen, 2011) and their effects on people and organisations.

In terms of managerial practitioner recommendations, the findings caution against viewing one leadership style (i.e., transactional or transformational) as superior to another, but rather to see the two styles as symbiotic to each other. The second recommendation for managerial practitioners relates to viewing organisational learning as a ‘system’ of interconnected parts, and the importance “for seeing interrelationships rather than things, [and] for seeing patterns of change rather than static snapshots” (Senge, 1990, p. 68).

As a result of the rapid and dramatic changes being experienced over the world, organisations must learn to adapt to the changes they face faster than ever before. A failure to do so would jeopardize an organisation’s ability to remain viable in the marketplace. As illustrated throughout this paper, organisational senior leaders can either foster or inhibit an employee’s ability to connect with the learning process. Therefore, if organisations expect to remain viable, it is critical that senior leaders encourage and support employees throughout the organisational learning ‘journey.’
### Appendix 1: Interview questions from a broader research case study

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<td><strong>Question 1:</strong> How does your manager influence the way knowledge is embedded into the organisation (e.g., into organisational structures, routines, practices, values, beliefs)</td>
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<td><strong>Question 2:</strong> How does your manager influence and/or manage the way new knowledge is sourced and brought back into the organisation for future use?</td>
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<td><strong>Question 2:</strong> How does your manager influence the conversion of newly acquired knowledge into something of value (e.g., products, services, systems, processes)?</td>
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<td><strong>Question 3:</strong> In what ways does your manager influence the sharing of knowledge and the collaborative development of ideas between individuals and/or groups?</td>
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<td><strong>Question 2:</strong> Can you give an example of when your manager encouraged you or your peers to question traditional methods of doing things and to look for new approaches that could potentially be more effective? This could include a time when your manager challenged you or your peers to think differently about something that may have worked in the past, but now may be working against business success?</td>
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<td><strong>Question 3:</strong> Can you give an example of when your manager has used existing knowledge to take advantage of potential business opportunities?</td>
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<td><strong>Question 4:</strong> Can you give me an example of when your manager has influenced the way you or your peers approach learning?</td>
<td></td>
</tr>
</tbody>
</table>
Table 1: Components of the transactional leadership model (Bass & Riggio, 2006, p. 8).

<table>
<thead>
<tr>
<th>Transactional leadership</th>
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</thead>
<tbody>
<tr>
<td><strong>Contingent Reward Leadership</strong></td>
</tr>
<tr>
<td>Contingent reward leadership “involves the leader assigning or obtaining follower agreement on what needs to be done with promised or actual rewards offered in exchange for satisfactorily carrying out the assignment” (Bass &amp; Riggio, 2006, p. 8).</td>
</tr>
<tr>
<td><strong>Active Management by Exception</strong></td>
</tr>
<tr>
<td><strong>ACTIVE:</strong> Active management by exception relates to the active monitoring of “deviances from standards, mistakes, and errors in the followers assignments and to take corrective action as necessary” (Bass &amp; Riggio, 2006, p. 8).</td>
</tr>
<tr>
<td><strong>PASSIVE:</strong> Passive management by exception relates to “waiting passively for deviances, mistakes or errors to occur and then taking corrective action” (Bass &amp; Riggio, 2006, p. 8). Said differently, the leader does not set about to look for mistakes or problems. Rather, no action is taken until an issue arrives or a complaint is made (Bass &amp; Riggio, 2006).</td>
</tr>
<tr>
<td><strong>Passive avoidant or Laissez-Faire leadership</strong></td>
</tr>
<tr>
<td>Laissez-faire leadership “is the avoidance or absence of leadership” (Bass &amp; Riggio, 2006, p. 8).</td>
</tr>
</tbody>
</table>
Table 2: Components of the transformational leadership model (Bass & Riggio, 2006, pp. 6-7)

<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>Transformational leaders provide their followers with inspirational motivation. They generally “behave in ways that motivate and inspire those around them by providing meaning and challenge to their followers’ work. [As a result,] team spirit is aroused [and] enthusiasm and optimism are displayed“ (Bass &amp; Riggio, 2006, p. 6). They also project a compelling vision for their followers (Bass &amp; Riggio, 2006).</td>
</tr>
<tr>
<td>Charismatic/ inspirational</td>
<td>Transformational leaders “behave in ways that allow them to serve as role models for their followers. The leaders are admired, respected, and trusted. Followers identify with the leaders and want to emulate them; leaders are endowed by their followers as having extraordinary capabilities, persistence and determination” (Bass &amp; Riggio, 2006, p. 6).</td>
</tr>
<tr>
<td>Idealised influence</td>
<td>Transformational leaders “stimulate their followers’ efforts to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways. Creativity is encouraged. There is no public criticism of individual members’ mistakes. New ideas and creative problem solutions are solicited from followers, who are included in the process of addressing problems and finding solutions. Followers are encouraged to try new approaches, and their ideas are not criticised because they differ from the leaders’ ideas” (Bass &amp; Riggio, 2006, p. 7)</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>Transformational leaders demonstrate individualised consideration toward followers. They pay “special attention to each individual follower’s needs for achievement and growth by acting as a coach or mentor” (Bass &amp; Riggio, 2006, p. 7). Transformational leaders are also able to recognise, accept, and adapt to the individual needs of their followers. For example, “some employees [may need to] receive more encouragement, some more autonomy, others firmer standards, and still others more task structure” (Bass &amp; Riggio, 2006, p. 7)</td>
</tr>
</tbody>
</table>
Figure 1: The EAT framework (Waddell, 2012).
Transformational leadership influence on organizational performance through organizational learning and innovation. *Journal of Business Research*.


