

The Impact of the Implementation of a Learning Organization on the Formation of a Positive Organizational Identity

Marko Peršič

University of Maribor, Slovenia

Duško Uršič

University of Maribor, Slovenia

Draško Veselinovič

Gea College, Slovenia

This paper examines the results of a broader research of the impact of the implementation of a learning organization on the formation of a positive organizational identity in the Slovenian entrepreneurial practice. On the basis of an analysis carried out in 2012 on a sample of 132 enterprises in Slovenia, the authors derived their own definition of organizational learning. With the aid of factor analysis and a regression model, we established that each factor defined in this paper independently affects the formation of a positive organization, only the factor empowerment and organizational identity. The findings from our research are applicable in almost every company in Slovenia, where the management can use them to form the company's organizational identity with the aim of increasing the competitiveness of the company's business.

Keywords: learning organization, positive organizational identity, organizational learning, factor analysis

Introduction

Welcome to the world of the new economy and new technologies. Recently there have been many changes in the global economy. It is rather obvious that organizations will have to adapt to the changes in business in the future. The changed working and business conditions demand organizational skills that will ensure the enterprise's further survival (Cascio & Shurygailo, 2003). The change has become a constant of daily life and cannot be avoided in any way. The continuous and rapid change of competing organizations together with new and quickly changing demands and wishes of the customers represent the two main reasons for continuous monitoring

of and adapting to the situation in the market. During the recent years, the authors of this paper have been engaged in intensive teamwork to develop new models for the needs of management, which are all based on modern, fast, and unclear changing terms of business, which are the result of the global financial crisis.

This paper presents the results of an analysis of the formation of a positive identity, which affects the increasing competitiveness of the enterprises' business (Peršič, Uršič, & Veselinovič, 2012). The research model has been designed to demonstrate the impact of the participation of a learning organization on the formation of a positive organizational identity. By means of factor analysis, we demonstrated the connection between certain dimensions and the constructs in question. The goal of the research is to develop a model that will be useful in various corporations and will combine theoretical backgrounds and verification in corporate practice. The results of the analysis of 132 organizations in Slovenia displayed that the participation of a learning organization has a strong impact on the formation of a positive organizational identity.

Modern learning organizations introduce new approaches in the field of planning, management, organizing, and controlling business, while at the same time supporting and developing the flow of information up and down the entire hierarchy pyramid (cf. Daft & Marcic, 2004; Rifkin & Fulop, 1997). With learning organizations, it is often demonstrated that the hierarchic authority (structure) is often inappropriate for the changes, which require imagination, creativity, persistence, dialogue, and the desire of all employees for change. These organizations set up suitable conditions for the development of employees in the beginning, so they enable all employees to develop their own competencies and skills. The role of leaders is especially emphasized in such circumstances within an organization.

Consequently, we can state that a learning organization is a situation underlined by perfect communication among employees, where there are minimal two-way information flows and where innovation and creativity prevail over the limitation of individuals' perspectives and the internal rules of an organization. People are used to stability, since it ensures and provides us with a feeling of safety. As a result, the human factor is usually the biggest obstacle in such changes. During the development of our models, we thus devoted our full attention to the relevant field and consistently examined the co-dependence with other factors that affect the increase of competitiveness today.

Alvesson (2004) claims that in modern organizations it is about the question of forming an organizational identity and warns that organizational identity can be either negatively or positively shaped. In the event of a positive form of identity, we mean an organization's positive social identity, which stipulates that all employees, including all leadership structures, simply know what and how it is done in an organization. Alvesson (2004) finds that in the majority of modern organizations employees do not have a clear image regarding the formation of a positive organizational identity. Therefore, it is necessary to develop and design suitable algorithms of business reality, which are of key importance for the employees and the organization from the aspect of implementation of the competition potential.

The contents of the article are divided into seven parts. After a short introduction, we first define the concept of a learning organization and its characteristics. Then, we define a positive organization identity and its specifics. Further on, we describe the research methodology and also its results, beginning with the factor analysis of the learning organization and then also the factor analysis of a positive organization identity. We also provide the results of the regression analysis and round the article up with the final findings, as well as a list of the limitations during the drafting of the article and the possibilities of further research.

Learning Organization

A learning organization is an organization with the capacity to quickly and efficiently adapt to the changing circumstances. It has the ability to always stay ahead of the competition. Its employees are the fundamental components and the company derives the best of ideas, as well as individual and group knowledge, from them (Pratt, 2001).

Garvin (1998) defined the learning organization as an organization, which is capable of creating, acquiring and transferring knowledge, and changing its conduct to reflect new knowledge and understanding. The authors claim that we do not need a consensus between different definitions, but clarity of definitions. We need to clearly specify the systematic classification of ideas about the learning organization. In this way, we could capture different meanings of the learning organization. Every typification until now has been deductive; i.e. the authors were deriving from the term 'learning organization.' We would like to emphasize that the typification of the idea of a learning organization comprises four different dimensions that are not mutually exclusive. However, we can only discuss the different aspects of the concept of a learning organization.

The concept of a learning organization is thus becoming an increasingly popular philosophy in modern organizations. The reason for the special emphasizing of the learning organization lies with organizational learning, since it will be required to find the right answers to the increasingly fast and more common changes in business. An organization with the ability to learn fast and accentuate innovation is better prepared for the challenges of the modern business environment.

We definitely believe that the creation and development of a learning organization is a very good response to the circumstances in the turbu-

lent world of global business. The development of a learning organization dictates different changes in the field of management and organizational structure, the process of communication, the process of empowerment, management and the formation of an organizational structure. The development of a learning organization in the future and the significance of leadership within it will be the key elements of the successful implementation and/or competitiveness of the organization on the market. Moreover, a very important role in the concept of a learning organization is also played by the organizational culture, information technology, organizational learning and knowledge.

Organizations learn and/or progress from experience with the coding array to the organizational routine, which is a standard operative procedure. Managers in organizations attempt to improve the abilities of employees through organizational learning. Thus, empowerment is of key importance, since it helps employees to improve efficiency (Jones, 2003). Organizational learning also introduces the processes (within an organization), which provide for a higher level of flexibility in the employment of existing resources within an organization (Scarbrough, 2008). Therefore, the senior management is responsible for the introduction of organizational learning in an organization and effective knowledge management. When building organizational learning, the emotions of the employees also play a significant role (Bontis & Serenko, 2009). Consequently, Bushe (2009) defined organizational learning as the research of organizational patterns among several persons within an organization, which lead to new knowledge. Employees become familiar with their own experience and the experience of others and they can use their emotions to repair specific 'negative' organizational patterns.

In practice, the transfer of knowledge to co-workers most often faces different problems, whereby the most common problems are the lack of time, communication skills, motivation, hiding of knowledge (knowledge represents a foundation of power of employees, which they use to increase their competitive advantage within an organization). Definitions of organizational learning are collected in Table 1 (Peršič et al., 2012).

In accordance with the above-specified theoretic basic definitions of organizational learning and the results of the research herein, the authors find that organizational learning is a series of interconnected processes in which the inventions at the social, organizational, and business level change into innovation, which interactively affects the assessment of competitiveness in the environment (Peršič et al., 2012). The conclusions of the research in the broader entrepreneurial practice in Slovenia definitely confirm the theoretical definition of organizational learning, as well as its empiric verification.

Imants (2003)	Organizational learning ensures the development of theory in schools within the professional communities of teachers.
Jones (2003)	Through organizational learning, managers attempt to improve the abilities of the members of the company, so they would understand the company better, treat it better, and adopt better decisions.
Common (2004)	This addresses organizational learning in the political environment, to improve the design of the public policy.
Scarbrough (2008)	Organizational learning introduces the processes, which will enable flexible employment of resources available to the company.
Bontis and Serenko (2009)	Top management represents the key to organizational learning, where the emotions of employees and knowledge management are very important.
Bushe (2009)	Organizational learning is the exploring of organizational patterns among several persons, which leads to new knowledge.
Peršič, Uršič, and Veselinovič (2012)	Organizational learning is a series of inter-linked processes in which the inventions at the organizational and business level within an organization change into innovations, which interactively impact the assessment of competitiveness in the environment.

 Table 1
 Definitions of Organizational Learning

Notes Adapted from Peršič et al. (2012).

It is important to emphasize that all employees in the organization must be responsible. Employees will share their honest opinion about the organization only if their interests are true and serious. The leader, who will discover what the employees wish to change and will try to consider their proposals, will gradually remove all excuses for inefficiency. The responsibilities for the achievements of the organization are thus transferred to all employees (Larson & Haegglund, 2005). People usually learn in two ways: from other people or autonomously. Learning from others includes the forms of learning, such as attendance of workshops, internships, watching videos, listening to multi-media presentations, reading manuals and reports. All these methods are managed by the organization. Consequently, the organization decides who will attend which seminar, receive the information, etc. This is a somewhat formal form for the communication of knowledge and experience. Such mechanisms are usually effective; however, only while the subject of transfer is explicit knowledge (i.e. knowledge, which can be written and stored). It is a lot harder to acquire knowledge, which the people have acquired through posing informal questions, watching others during their work, and through discussion about their work with colleagues (Tobin, 1998).

Positive Organizational Identity

A positive organizational identity means the highest development stage of an organization, which is developed with the aim of achieving sustainable, true success, and efficiency on a dynamic market (Dhalla, 2007; Melewar & Karaosmanoglu, 2006).

Modern authors of the theory of organizational identity (Dhalla, 2007; Melewar & Karaosmanoglu, 2006) explicitly define that the uniqueness of organizational identity lies with the 'umbrella' concept; i.e. its development and research summarize and integrate all partial organizational concepts about the processes and the culture of the transfer of quiet knowledge among individuals, teams and the organization, as well as external organizations.

For the purpose of identification, management, and formation of the organizational identity, it must be examined whether it is a process or a factor of the organization. Ravasi and Rekom (2003) define organizational identity as something that the organization owns/has – as an element or as a source; i.e. a continuous process or something that happens or is performed within an organization and something that is in continuous development process. The Elsbach-Kramer model of organizational cultural management thus includes and links the theory of the social identity with the theory of organizational impression management. The research of organizational identity and identification has been going on for a good decade; however, explicit patterns and methods of measurement have not yet been developed. Therefore a lot of research and studying is still required in this field.

The forming of a positive organizational identity is based on a permanent commitment of all members of the learning organization to permanent learning, so as to develop the model of a learning organization to the largest possible extent. Learning organizations continuously adapt to the environment and strive for improvements in all fields of their operation. Consequently, they deepen their relationships with all target groups, consider social capital as significant, develop organizational symbols, good leadership practices, and customer satisfaction, while at the same time following the culture of continuous change, innovation, and continuous learning (Leonard & Sensiper, 2002).

The advocates of organizational identity, Oliver and Roos (2003, in Penger, 2006), define it as a junction of three aspects. The first aspect is the organizational identity, which is a stable and slowly changing dimension of the organization that can always be felt, regardless of who and when is observing it. The second aspect examines the organizational identity as a continuous work process and the activities of individuals and groups. In order for all members of the organization to share the same perception and values, they must negotiate among themselves and continuously exchange the filed tacit knowledge. The third aspect covers the identity of specific groups within an organization, which don't have much rhythm and

many causes. We discover its strength when intentional changes of conduct occur within the teams.

Research Design and Methodology

We prepared a questionnaire for a quantitative research regarding the broader entrepreneurial practice. The questionnaire was drafted on the basis of theoretical background, as well as the contents of the learning organization (LO) and positive organizational identity (POI). The objective of the research is to demonstrate the impact of the LO on the development of a POI. Based on the questionnaire analysis results, we created statistically characteristic dimensions (factors) for LO and POI. The research included 132 organizations in Slovenia, which also represents the research sample. As the research pattern, we randomly selected organizations from the database of the Agency of the Republic of Slovenia for public legal records and related services (AJPES). All the organizations were of various sizes and from various industries.

The analysis was performed with the help of the SPSS (Statistical Package for the Social Sciences) programme. The sample (shown in Table 2) is composed of 31.8% men and 68.2% women. Their average age is 41.2, while the number of their years of service on average amounts to 16.87. The sample includes 13.6% of respondents who completed a 4-year secondary school or gymnasium education, 28.8% completed a short-cycle higher education programme or a professional higher education programme, while the largest share of respondents completed a university programme (40.2%), and 17.4% of he respondents completed master's or doctoral studies. The acquired representative sample demonstrates a very realistic situation in the Slovenian entrepreneurial practice. In no segment does it derogate from the expected values.

Most respondents answered that they occupy a position in medium management, while 25.8% of the respondents hold a basic position and 28.0% hold a senior management position. Geographically, the most respondents came from the central Slovenian region, followed by the Savinjska Region. The least responses were received from the Koroška Region and the Goriška Region. Most respondents were working in the field of sales, followed by the respondents working in the financial sector, and respondents working in marketing.

We will use quantitative research methods (esp. factor analysis) to analyze the research results. Factor analysis attempts to simplify the complexity of the links among a set of observed variables by showing joint dimensions or factors, which enable an insight into the basic structure of the data. In marketing research, there is often a situation when we cannot directly measure the specific key terms (e.g. trust within an organization, develop-

 Table 2
 Description of the Quantitative Research Sample in the Broader Entrepreneurial Practice

Variable	Ν	Min	Max	SD	М
Age	132	23	61	8.82548	41.20
Years of service		1.0	36.1	9.4489	16.87
Gender					%
Male					31.8
Female					68.2
Education					%
4-year secondary school or gymr	asium				13.6
Short cycle higher or professiona	al higher edu	cation			28.8
University education					40.2
Master's or doctoral studies					17.4
Job/position					%
Senior management					28.0
Medium management					43.9
Basic position					25.8
Field of employment % Field of employment			%		
Sales	14.4	Legal department			1.5
Finance	11.4	Producti	on		1.5
Marketing	9.1	Leaders	hip		1.5
Human res. and general dep.	7.6	Adminis	tration		2.0
Management	7.6	Pharma	су		0.8
Commerce	4.5	Catering			0.8
Purchasing	4.5	Export			0.8
IT	3.8	Laborate	ory		0.8
Logistics	3.8	ONZ			0.8
Communication	3.0	Plant en	gineering		0.8
Accounting	3.0	Service			0.8
Development	2.3	Quality S	Service		0.8
Advertising	2.3	Standar	dization he	eadquarters	0.8
Banking	1.5	Head of	dep., proj	ect manager	2.3

ment of an organizational culture, etc.). We usually measure them indirectly through indicators of what we should be measuring. The dimensions resulting from the questionnaire/factor analysis were revealed in the research, named and demonstrated with regard to their mutual impact.

Research Results

Factor Analysis (Learning Organization)

We verified whether the studied organizations satisfy the requirements of a learning organization on the basis of the following four factors: empow-

The Impact of the Implementation of a Learning Organization 173

Rotated Factor Matrix	Factor			
	1	2	3	4
a1 EM: Our organization has a strategy which I am familiar with and which I co-create.	.673	.247	.085	.196
a2 EM: The decision-making policy is decentralized and we all participate in the decision-making.	.553	.302	014	.337
a3 EM: I am familiar with and understand the mission and vision of the organization.	.516	.104	.428	.271
a4 EM: The organizational structure follows the strategy.	.629	.146	028	.175
a5 EM: The objectives of the sector where I work are clear and comprehensible.	.452	.031	.215	.382
a6 TW: I feel good during my work. The organizational culture is good.	.577	.294	.315	.377
a7 TW: The organization is characterized by team-work. We are all connected.	.332	.720	.171	.166
a8 TW: I am motivated; also for tasks outside working hours.	.313	.419	.158	.401
a9 TW: I am engaged in project groups within the organization.	.389	.381	.016	.390
a10 TW: The level of mutual trust among my co-workers is high.	.258	.672	.140	.142
a11 TW: All employees in our organization supplement each other and collaborate.	.516	.598	.190	.025
a12 TW: I am far more motivated to work in project groups than my 'basic' work.	.015	.398	122	.161
a13 TW: I am always prepared to make uncompromising sacrifices for my co-workers.	.050	.483	.201	006
a14 LR: I use IT every day and I am satisfied with it.	.198	.041	.573	.285
a15 LR: The work processes are clearly specified.	.615	.090	.292	.043
Continued on the next page				yt nade

Continued on the next page

erment and organization, team-work, learning and leadership. We used the factor analysis to verify whether – on the basis of theory – specific dimensions actually correlate or form suitable factors between them. We used the principal axis factoring method. First, we verified the co-dependence between the variables, which is one of the key requirements for the implementation of a factor analysis.

With the help of the correlation matrix, we established that the data satisfied the above-specified requirement. The variables correlate among themselves. With the help of the Kaiser-Meyer-Olkin (KMO) measure and the Bartlett's test of sphericity, we checked whether the data was suitable for the implementation of a factor analysis. The value of the KMO must thus exceed 0.7. In the event that the result is lower than 0.5, the data is not suitable for the implementation of a factor analysis. The Bartlerr's test of sphericity must be significant (i.e. the variables must sufficiently

Table 3	Continued	from	the	previous	page
---------	-----------	------	-----	----------	------

Rotated Factor Matrix		Factor			
	1	2	3	4	
a16 LR: All employees are included in the continuous learning process.	.497	.147	.467	.072	
a17 LR: The organization's employees are aware that innovation contributes to increased competitiveness.	.235	.097	.608	.203	
a18 LR: Employees always learn something from their own mistakes.	077	.149	.762	.089	
a19 LR: I regularly educate myself and attend seminars, courses, etc.	.409	.051	.454	.215	
a20 LR: The transfer of knowledge among employees is encouraged within the organization.	.576	.298	.208	.267	
a21 LS: I communicate directly with my superiors without any problems.	.263	.111	.243	.745	
a22 LS: The organization's leadership supports innovation within the company and implements it.	.642	.207	.189	.210	
a23 LS: My workplace colleagues and I understand each other and communicate well.	.145	.232	.352	.414	
a24 LS: The organization encourages and rewards good work.	.402	.352	.250	.387	
a25 LS: I would be prepared to work even more hours for a higher reward.	.064	.055	.124	.324	
a26 LS: I think I have a chance of promotion.	.423	.173	.019	.464	
a27 LS: Our leader sets an example for the employees and I respect him/her.	.412	.113	.331	.412	
a28 LS: I like attending informal meetings and parties.	.183	.303	.277	.356	

Notes Extraction method: Principal Axis Factoring. Rotation method: Varimax with Kaiser Normalization.

correlate), which is the basis for the implementation of a factor analysis. Since both measures are suitable, we can continue with the factor analysis.

In Table 3 the factor weights are presented. During the factor analysis, we applied the orthogonal rotation of the Varimax method, with which we ensured that the rotated factors remain uncorrelated and every variable has only one high-value statistical weight.

Table 4 presents all four factors of the learning organization, the variables which comprise each factor and the value of Cronbach's Alpha.

Factor Analysis (Positive Organizational Identity)

When analyzing the partial model of positive organizational identity, we established that the data was suitable for a factor analysis. The value of the KMO is very high (0.909), whereby the value of the Bartlett's test is statistically significant (p = 0.000).

Name	Variables that comprise the factor	Cronbach's Alpha
Organization and empowerment	(a1 + a2 + a3 + a4 + a5 + a6 + a15 + a20 + a22 + a24)/10	0.898
Learning	(a16 + a18 + a17 + a14 + a19)/5	0.750
Team-work	(a7 + a11 + a10 + a13 + a8 + a9 + a12)/7	0.796
Leadership	(a21 + a26 + a23 + a27 + a24 + a28)/6	0.805

 Table 4
 LO – Calculation of Determined Factors (Factor Analysis)

Table 5 POI – Factor Weights

Rotated Factor Matrix		Factor	
	1	2	3
c7 PI: Identification of employees with the superiors.	.794	.028	.130
c12 PI: Awareness of employees that they are an important component of the organization.	.594	.312	.423
c17 OP: The focus of the employees is directed mostly towards the future.	.563	.442	.107
c11 PI: Support from the senior management.	.549	.336	.453
c14 OP: The focusing of the employees on finding the best possible solutions for the organization.	.515	.346	.438
c10 PI: Personal and organizational objectives are coherent.	.484	.293	.291
c9 PI: Experience of employees.	.443	.212	.219
c8 PI: The development of a social network and links among employees.	.434	.237	.334
c6 CV: Trust among employees.	.096	.768	.359
c4 CV: Seeking positive values.	.252	.753	.311
c3 CV: Self-esteem of employees.	.242	.630	.163
c2 CV: Investments in social capital.	.403	.555	.196
c1 CV: Formal education.	.174	.463	.082
c13 OP: A positive attitude among co-workers.	.213	.213	.763
c15 OP: Optimistic co-workers are an inspiration for the organization.	.288	.190	.688
c18 OP: A positive attitude towards work.	.413	.237	.665
c5 CV: Flexibility of employees.	.057	.449	.466
c16 OP: Satisfaction and happiness spread among the employees in the organization.	.431	.263	.434

Notes Extraction method: Principal Axis Factoring. Rotation method: Varimax with Kaiser Normalization. Rotation converged in 7 iterations.

The variables of the partial model of positive organizational identity are arranged according to the three following factors: personal identification of employees (factor 1), common values (factor 2), and optimism (factor 3). The weights and/or factor variables are presented in Table 5.

Table 6 shows all three factors of the positive organizational identity, their variables, and the value of Chronbach's alpha.

	, , , , , , , , , , , , , , , , , , ,	
Name	Variables that comprise the factor	Cronbach's Alpha
Personal identification	(c7 + c8 + c9 + c10 + c11 + c12 + c14 + c17)/8	0.873
Common values	(c1 + c2 + c3 + c4 + c6)/5	0.834
Optimism	(c13 + c15 + c16 + c18)/4	0.863

 Table 6
 POI – Calculation of Determined Factors (Factor Analysis)

Table 7 Regression Coefficient: The Impact of the Partial LO Model on the Partial POI Model

Model	Unstd. Coeff.		Std. Coeff.	t	Sig.
-	β	Std. error	β		
(Constant)	1.245	.396		3.142	.002
Learning organization	.592	.093	.524	6.365	.000

Regression Analysis

We used factors constructed with the factor analysis in order to verify whether the implementation model of a learning organization significantly impacted the formation of a positive organizational identity. As we have already explained, we formed the dimensions in accordance with the questionnaire and applied the variables to them. Independent variables were calculated on the basis of mean research result values. With regard to the factor weights, we classified them into content-wise and statistically suitable dimensions that we named ourselves.

In order to calculate the impact, we used regression analysis. With the help of regression analysis, we assessed the parameters of the regression model and the statistical significance of this model. We could use the adopted model with the assessed parameters to predict the value of the dependent variable with the help of independent variables. A dependent variable encompasses the parameters of a positive organization identity, whereas an independent variable encompasses the parameters of a learning organization.

First, we verified how a common factor, which measures the learning organization dimension, affects the positive organizational identity dimension. The regression model is statistically significant: p = 0.000 (Table 7).

First, we performed a simple regression analysis of individual LO dimensions on POI, and then we performed a multi-variant regression analysis with all four LO dimensions included in the model, whereas POI served as the dependent variable in the model.

We examined the key factors within the partial model of the learning organization that impact the implementation of a positive organizational identity. With the application of the factor analysis, we first constructed the factors that are sufficiently reliable and measured the stable fields within the learning organization dimension. Four important fields were thus formed: empowerment and organization; team-work, learning, and leadership. The regression analysis shows that the learning organization dimension has a medium positive impact on the positive organizational identity (0.524).

Furthermore, all other factors, which form the learning organization dimension, have a medium impact on the positive organizational identity. The strongest impact is attributed to the empowerment and organization factor (0.522) followed by team-work (0.439), leadership (0.380), and learning (0.366). When we verified the joint impact of all four factors (i.e. in the regression model), we established that a significant impact on the positive organizational identity can only be attributed to the 'organization and empowerment' factor (p = 0.010), which is of medium strength (0.394). We hereby conclude that all of the specified factors impact the positive organizational identity when measured separately. However, when we examine all four factors together, the most significant factor is the empowerment and organization factor, which also has the greatest impact when examined separately.

Conclusion

Difficult conditions in the global markets demand that organizations adopt innovative approaches towards business. Organizations have never been under this much pressure. The adaptation to the new conditions will be of key importance for the survival and/or success in the global market. Moreover, organizations must focus on their main competitive advantages and conduct internal reforms. This means that now is the time to think, but actions must be taken quickly and immediately. Learning organizations can be the right answer to the current difficult conditions in the turbulent business environment. When researching the relevant field of learning organizations, we discovered that the model for the implementation of a LE is not possible without the maximum support of the management and its leadership skills.

The results presented in this paper indicate that the implementation of a learning organization has a strong impact on the formation of a positive organizational identity. The research itself was carried out in broad entrepreneurial practice; therefore, we can claim that it is also applicable within specific organizations. We established that the empowerment and organization factor is of key importance for the formation of a positive organizational identity. Organization management can expect less trouble with the implementation of our model, since we pointed out the most critical dimensions in the realization of a positive organizational identity.

The factor analysis displayed where the specified element (factor) had by far the largest impact on the formation of a positive organizational identity. The empirical research's factor analysis shows that a series of linked

processes transforms inventions at different levels of the organization into innovation with an interactive impact on the assessment of competitiveness in the environment. It is important that the management of an organization is aware of the impact of the implementation of a learning organization when forming a positive organizational identity.

Limitations and Future Research

The research limitations refer to the sample, since only organizations in Slovenia were included in the research. For further research purposes, the research could be expanded to organizations that are active in the European Union. Additional limitation could also be the fact that we were only focusing on the factors that impact a learning organization as well as the formation of a positive organizational identity.

References

- Alvesson, M. (2004). Organization: From substance to image. In M. J. Hatch,
 & M. Schultz (Eds.), Organizational identity (161–175). Oxford, England: Oxford Management Readers.
- Bontis, N., & Serenko, A. (2009). A causal model of human capital antecedents and consequents in the financial services industry. *Journal of Intellectual Capital*, 10(1), 53–69.
- Bushe, G., R. (2009). Learning from collective experience: A different view of organizational learning. Organizational Development Practitioner, 41(3), 19–23.
- Cascio, W., & Shurygailo, S. (2003). E-leadership and virtual teams. Organizational Dynamics, 31(1), 362–376.
- Common, R. (2004). Organisational learning in a political environment: Improving policy-making in UK government. *Policy Studies*, *25*(1), 35–49.
- Daft, R. L., & Marcic, D. (2004). *Understanding management*. Fort Worth, TX: Thomson Learning.
- Dhalla, R. (2007). The construction of organizational identity: Key contributing external and intra-organizational factors. *Corporate Reputation Review*, 10(4), 245–260.
- Garvin, D. (1998). Building a learning organization. In *Harvard Business Review on knowledge management* (47–79). Boston, MA: Harvard Business School Press.
- Imants, J. (2003). Two basic mechanisms for organizational learning in schools. *European Journal of Teacher Education*, 26(3), 293–311.
- Jones, G., R. (2003). Organizational theory, design and change (4th ed.). New York, NY: Prentice Hall.
- Larson, R., & Haegglund, U. (2005). Načela organizacije [Principles of organization]. Ljubljana, Slovenia: Finance.
- Leonard, D., & Sensiper, S. (2002). The role of tacit knowledge in group innovation. Oxford, England: Oxford University Press.

- Malewar, T. C., & Karaosmanoglu, E. (2006). Corporate communications, identity and image: A research agenda. *Brand Management*, 14(1), 196– 206.
- Oliver, D., & Roos, J. (2003). Studying organization identity empirically: A review (Working Paper 31). Imagination Lab Foundation, Lausanne, Switzerland.
- Penger, S. (2006). Učeča se organizacija in oblikovanje pozitivne organizacijske identitete: študija primera slovenskega podjetja [Learning organization and designing positive organization identity: Case study of a Slovenian company] (Unpublished doctoral dissertation). University of Ljubljana, Ljubljana, Slovenia.
- Peršič, M., Uršič, D., & Veselinovič, D. (2012). Teoretična izhodišča za izvedbo analize vpliva udejanjanja učeče se organizacije na oblikovanje pozitivne organizacijske identitete: delovno poročilo [The theoretical basis for the analysis impact of implementation of a learning organization to create a positive organizational identity: Working report]. Faculty of Economics and Business, Maribor, Slovenia.
- Pratt, J. R. (2001). Is your organization a 'learning organization'? Home Health Care Management & Practice, 13(5), 406–408.
- Ravasi, D., & Rekom, J. (2003). Key issues in organizational identity and identification theory. *Corporate Reputation Review*, 6(2), 118–130.
- Rifkin, W., & Fulop, L. (1997). A review and case study on learning organizations. The Learning Organization, 4(4), 135–137.
- Scarbrough, H. (2008). *The evolution of business knowledge*. Oxford, England: Oxford University Press.
- Tobin, D. R. (1998). The knowledge-enabled organization: Moving from training to learning to meet business goals. New York, NY: American Management Association.

Dr. Marko Peršič is a Lecturer at the International School for Social and Business Studies in Celje as well as the Gea College – Faculty of Entrepreneurship in Ljubljana. He completed his doctoral studies in the field of business at the Faculty of Economics and Business in Maribor. His research interests include learning organizations, knowledge management, organizational identity and entrepreneurship. *marko.persic@kockaprima.si*

Dr. Duško Uršič is Professor of management and Senior Researcher at the Faculty of Economics and Business, University of Maribor. He was awarded as the expert by Slovenian Union of Economists for the fields of management, organisation and quality. He is also awarded as the expert by Association for Work Evaluation. Since 1998 he has been participating on international projects, founded by EU Commissions. In last three decades, he has been also working as a consultant in more than 200 enterprises in Slovenia. *dusko.ursic@uni-mb.si*

Dr. Draško Veselinovič is a financial economist and CEO of Gea College since August 2012. From 2009 he was CEO of KD Group, the largest Slovenian

private financial conglomerate. In 2009 he was CEO of NLB, one of the largest banking groups in the region. He was CEO of Deželna banka Slovenije d.d. from 2005 till 2009. Dr. Veselinovič graduated in 1982 from the Faculty of Economics, University of Ljubljana and received his Doctor of Science Degree in 1996 with his thesis on financial derivatives. Dr Veselinovič is Assistant Professor of Money and Finance at the Faculty of Economics and Gea College in Ljubljana. *drasko.veselinovic@gea-college.si*



This paper is published under the terms of the Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0) License (http://creativecommons.org/licenses/by-nc-nd/4.0/).