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**EXPLANATION OF EFFECTIVE RELATIONSHIP BETWEEN ORGANIZATIONAL
LEARNING AND COMPETITIVE ADVANTAGE (CONSULTING ENGINEERS OF ROAD,
BUILDING, ARCHITECTURE AND URBANIZATION COMPANIES OF KHORASAN
RAZAVI PROVINCE)**

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ABSTRACT

Due to the nature of this era, there are many differences between current and past organizations. One of the basic features of new organizations is their formation based on learning. The current organizations attempt to absorb customers as these customers bring benefits for our organization. Thus, promoting organizations to learning and competitive advance can promote our organization. The present study aimed to evaluate the relationship between organizational learning and competitive advantage in consulting engineer companies of road, building, architecture and urbanization of Khorasan Razavi province. Based on the hypothesis, the present study is applied and the data is collected by survey method. It is explorative study in terms of data analysis. The data collection method is library, descriptive and field. In field method, a questionnaire is used and its validity and reliability are supported. The study population is employees of consulting engineers of road, building, architecture and urbanization companies in Khorasan Razavi province as 210. By Cochran's formula, a sample of 136 is considered. For analysis of collected data, SPSS software is used. The findings of study showed that there was a positive and significant association between organizational learning and competitive advantage components as distinction in products, costs management and concentration of a part of market and these companies should learn to achieve competitive advantage.

**Keywords: Organizational learning, Competitive advantage, Consulting companies of road,
building, architecture and urbanization**

INTRODUCTION

Learning organizations were raised in 90s. Such organizations were emerged due to the conditions and theories of changes in organizational environments before the mentioned decade and all organizations attempted for their survival and in order to keep themselves in the varied space, they should be turned into learning organizations. They should make deep changes in their structure. Before, the organizations were in sustainable environment and future events were predicted almost as the managers could plan under reliable conditions. Today, the environment is changing considerably and technological, economic, cultural and political changes affect the organization rapidly [1]. On one hand, current organizations compete to absorb customers, as these customers bring benefits for organization. Thus, promoting organizations to learning and considering competitive advantage factors can be useful. The effective relationship between organizational learning as an important factor in the present era, some factors as competitive advantage (distinction in product, leadership of cost and concentration) can be useful for organizations to absorb more customers and increase their satisfaction. Indeed, competitive advantage is the factors not

imitated by others or its imitation is hard, costly or time consuming. This study attempts to achieve this relationship [2]. If the organization creates sustainable competitive advantage by its competencies as valuable for customers, it is a good performance and competitiveness is achieved [3]. Sustainable competitive advantage can outperform other competitors and keep their return as natural [1]. The best skills and resources indicate the ability of a business in better activities of the competitors. Best skills refer to the distinctive capabilities as considering the employees of company in a better situation compared to the employees of competing companies. The best resources include the advantages enabling the company to promote its capabilities [4]. In the world that change is unavoidable, the only way for survival is adaptation with the changes and adaptation is the best capital presented to people and organizations. This capability is fulfilled well via learning as well. According to Peter Senge, the organizations achieve success in future that discovers how they can use the learning capacity of people in all levels of organization. Thus, organizational learning reflects high intelligence and good opportunities and commitment to continuous progress in organization. On the other hand, learning

organizations are aware of the role of organizational commitment in promoting goals and values of organization and provide the ground to increase it. The deep changes as occurred without strong commitment are not good. Commitment supports riskful effort for change as this effort is a part of structure and current method of organization [4].

Theoretical basics of study

Competitive advantage

Competitive advantage is manifested in strategy of competition and value creation framework and what causes that income is increased more than costs [5]. Competitive advantage is keeping high competitive ability than normal level [6]. Competitive advantage means that enterprise can produce the services or goods as customers consider them as valuable as products goods or services of other competitors [7]. Competitive advantage is determining the capacities and market situation as leading to superiority of enterprise compared to the competitors [8]. Competitive advantage is great situation of an organization to the competitors as extended via resources development model [9]. Competitive advantage is associated to the performance of enterprise and the organization has higher performance, if high value is created to the expected value of resources [3]. Despite all definitions about competitive

advantage, presenting an exact definition of competitive advantage is difficult. Competitive advantage is a good factor an organization has compared to other competitors or this factor is costly and time consuming for them.

Organizational learning

Learning is the most important way of improving performance in long-term and in future, the best organization is the one making the most out of capabilities, commitment and learning capacity of people in all levels of organization. Organizational learning is a long-term activity turning the conditions to good competitive conditions. One of the main advantages of organizational learning is that organizations can manage the changes timely and effectively. By detection of mistakes, the learning organization takes lesson of them. Such space is created based on a suitable organizational culture. In learning organization, people are prepared to cope up with probable events as they have learned much more about system. Learning organizations encourage the employees to improve their individual, group skills and quality of their work. They use their experiences and others experiences as useful or negative. People are encouraged based on the values and skills of their work and all the recommendations are respected.

Study hypotheses

Main hypothesis

Organizational learning is effective on competitive advantage in consulting Engineers Company of road, building, architecture and urbanization of KhorasanRazavi province.

Sub-hypotheses

1- There is an effective relationship between organizational learning and distinction in product of competitive advantage factors in consulting Engineers Company of road, building, architecture and urbanization in Khorasan Razavi province.

2- There is an effective relationship between organizational learning and cost management as competitive advantage factors in consulting Engineers Company of road, building, architecture and urbanization in KhorasanRazavi province.

3- There is an effective relationship between organizational learning and concentration as competitive advantage factors in consulting Engineers Company of road, building, architecture and urbanization in Khorasan Razavi province.

Conceptual model of study

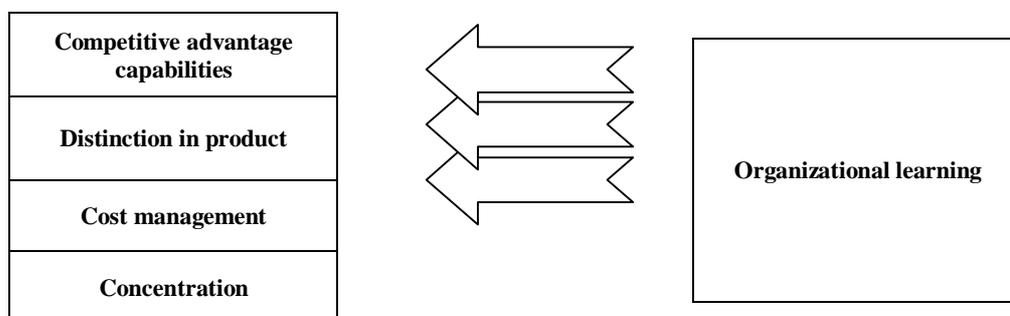


Figure 1. Conceptual model of study

REVIEW OF LITERATURE

Local review of Literature

Aliqoli, Askari and Saeedi (2012) in the study in Saipa automotive company as the role of knowledge management and intellectual capitals in achieving competitive advantage of knowledge

management model had dimensions of knowledge creation, knowledge acquiring, organizational learning, knowledge sharing, knowledge use and knowledge storage. For intellectual capital, human capital, organizational and relational capitals were considered. In this study, researchers found

that there was a positive and significant association between knowledge management, intellectual capital and dimensions of these two variables with competitive advantage in Sapipa Company. The increase of each of independent variables of study led into achieving high competitive advantage of relevant company [10]. Feizi, Farsijani and Shafinikabadi (2011) in a study "The effect of competitive forces of organizations on knowledge application to improve supply chain performance in car industry, found that some components as bargaining ability of suppliers, threat of entrance of alternative goods (in competitive forces of industry), flexibility and non-centralization in duties (in organizational innovation stimulations) and innovations of suppliers to reduce costs (in financial performance of supply chain) are effective factors on supply chain. All components of knowledge application in chain were effective factors on supply chain performance. To investigate the study hypotheses, linear and multiple regression analysis is used. It is shown that competitive forces of industry have positive effect on organizational innovation motivation. Finally, the positive effect of competitive forces and organizational innovation motivations on knowledge application and improvement of financial

performance in supply chain were shown [11].

Lajevardi and Hatami (2010) in a study "evaluation of the role of organizational learning in achieving competitive advantage" in Jam petrochemical company evaluated the tacit knowledge in company as competitive advantage. This study applied competitive advantage of Lee and Geo. The researchers found that social content in organization (Communication, interactions, etc.) affected the empowerment of employees to create new knowledge. In the resources-based view, knowledge is the most important source compared to money and equipment [12]. Zakeri and Daneshfar (2009) in a study evaluated the effect of knowledge management on promoting competitiveness of consulting Engineers Company. The consulting engineers companies are the scientific center of civil field in the country and their services are based on knowledge of employees. Their major capital is knowledge capital of knowledge-centered employees and effective management and correct use of this capital is the main factor of success of these companies in competitive space of civil projects. Their study is correlation design and it investigates the effect of knowledge management on competitiveness of

consulting engineers companies. For data collection, two questionnaires are designed as 24 questions to measure knowledge management and 29 questions to evaluate competitiveness variable. They are distributed among 42 companies. The data analysis of questionnaires by software and **Somer'** dcorrection coefficient showed that there was a correlation coefficient between independent variable (knowledge management) and dependent variable and its components (competition, management system of human resources, technological innovation management, market-based customer orientation and organizational performance). The results of study showed that consulting engineer companies are acceptable due to their knowledge management activities and this is important based on the nature of work of these companies [13]. Qelichli (2006) in two great automotive companies showed that there was a positive and significant association between intellectual capital, social capital and competitive advantage. The results of study model showed that in the studied companies, social and intellectual capitals had positive and significant effect on their competitive advantage. Regarding social capital, social capital elements of companies were cognitive, structural and relational. They less attempted in structural element

indicating the organized based work communications and in relational element showed organization of work relations and regarding relational element showing trust, common identity between organizational people to the cognitive element of social capital to create common organizational attempted mostly in vision and values. Based on results of study in intellectual capital, the elements were human capital, structural and relational capitals. This study showed that these two companies in human capital as knowledge, skills and competencies of employees and in structural capital as intellectual asset, innovation, processes and work methods, organizational learning and information systems than in relational capital and it showed the relationship of these companies with external stakeholders as customers, suppliers and investors. In addition, social capital of the studied companies had positive and significant effect on human elements and capital intellectual. Generally, the results showed that these companies by improving the social relations between employees could be useful for acquiring, sharing and creating existing knowledge in human capital dimensions and relational capital [14].

Foreign review of literature

Yaghubi (2010) reported the relationship between applications of components of

learning organization and organizational commitment as significant. These results show the significant relation between using components of learning organization with affective, continuous and normative commitment [15]. Krishna (2008) in a study evaluated the effect of organizational learning on affective commitment, 442 employees of 35 software companies. Thus, affective commitment was evaluated based on organizational commitment inventory of Meyer and Allen and organizational learning based on OAS survey as distributed by internet among the employees. The results showed positive and significant association between organizational learning and affective commitment. Each of four subsystems of organizational learning system predicted affective commitment [16]. Pirci, kalka&katsikes (1998) evaluated the relationship between competitive advantages and export performance, relationship between resources and capabilities with competitive advantages and export performance and the mutual effect of resources and capabilities on each other among export English companies. The results of the study supported these positive relations [17]. Bentis (1998) conducted a study “intellectual capitals: explorative study and evaluation of models and measures of intellectual capitals” in

Canada. This study showed that there was a mutual relation between components of intellectual capitals and intellectual capitals components had positive effect on commercial performance [18].

Study method

The study is applied in terms of hypotheses. The data is collected by survey method. It is explorative, survey and correction, in terms of data analysis. The data collective method is library, descriptive and field. For field data collection, organizational learning survey of Krishna (2008) and standard questionnaire of competitive advantage by Merak (1995) are used. The questionnaires were evaluated by some lecturers of University, managers and experts of consulting engineers of Road, building, architecture and urbanization to evaluate from content validity and tis validity is supported. As Cronbach’s alpha is a good index to evaluate reliability of internal consistency among the elements, this coefficient is used to determine reliability and Cronbach’s alpha coefficient is 0.865. Based on acceptable alpha coefficient, internal reliability is supported. The study population is all managers as high, middle and operating in consulting Engineers Company of road, building, architecture and urbanization in Khorasan Razavi province as 210 and by Cochran’s formula, 136 are used.

STUDY FINDINGS

Descriptive statistics analysis

The results of gender of respondents showed that of 136 respondents, 72.06% were men and 27.94% women. The results of age distribution of respondents showed that of 136 respondents, 33.82% of respondents had less than 30 years (as the highest), 29.41% ranging 30-40 years, 20.59% ranging 40-50 years, 11.03% between 50-60 years and 5.15% above 60 years. The results about the education of respondents showed that education of 3.68% of respondents was below Diploma and Diploma, 21.32% associate, 47.8% BA (highest number) and 27.2% MA and above. The results about work experience showed that work experience of 5.88% of

respondents was less than 5 years, 20.59% between 5-10 years, 28.68% ranging 10-15 years and 35.29% between 15 to 20 years (highest) and 9.56% above 20 years. The results of organization position of respondents showed that 19.12% of respondents were top managers, 23.53% middle managers, 30.15% operating managers (highest numbers) and 27.2% other employees.

Inference statistics analysis

To evaluate hypotheses of study and their significance, Pearson correlation coefficient is used and it is analyzed later.

Main hypothesis

There is an effective relationship between organizational learning and competitive advantage of organization.

Table 1- The results of evaluation of main hypothesis

p-value	Pearson correlation coefficient	Variables
0.000	0.631	Organizational learning and competitive advantage

$\left\{ \begin{array}{l} H_0: \text{There is no significant association between organizational learning and competitive advantage} \\ H_1: \text{There is a significant association between organizational learning and competitive advantage} \end{array} \right.$

As shown in the results of Table 1, P-value is 0.000 and Pearson correlation coefficient is 0.631. Thus, H₀ is rejected and H₁ is supported.

There is an effective relationship between organizational learning and distinction in product as factors of competitive advantage.

First sub- hypothesis

Table 2- The results of evaluation of organizational learning and distinction in product

p-value	Pearson correlation coefficient	Variables
0.000	0.642	Organizational learning and distinction in products

$\left\{ \begin{array}{l} H_0: \text{There is no significant association between organizational learning and distinction in products} \\ H_1: \text{There is a significant association between organizational learning and distinction in product} \end{array} \right.$

As shown in the results of Table 2, P-value is 0.000 and Pearson correlation coefficient is 0.642. Thus, H₀ is rejected and H₁ is supported.

Second hypothesis

There is an effective relationship between organizational learning and cost management as factors of competitive advantage.

Table 3- The results of evaluation of organizational learning and cost management

p-value	Pearson correlation coefficient	Variables
0.019	0.393	Organizational learning and cost management

{ H₀: There is no significant association between organizational learning and cost management
 H₁: There is a significant association between organizational learning and cost management

As shown in the results of Table 3, P-value is 0.019 and Pearson correlation coefficient is 0.631. Thus, H₀ is rejected and H₁ is supported.

There is an effective relationship between organizational learning and concentration on a part of market as competitive advantage factors.

Third hypothesis

Table 4- The results of evaluation of organizational learning and concentration on a part of market

p-value	Pearson correlation coefficient	Variables
0.001	0.529	Organizational learning and concentration on a part of market

{ H₀: There is no significant association between organizational learning and concentration on a part of market
 H₁: There is a significant association between organizational learning and concentration on a part of mar

As shown in the results of Table 4, P-value is 0.001 and Pearson correlation coefficient is 0.529. Thus, H₀ is rejected and H₁ is supported.

with the study of Piercy, Kaleka (1998) in terms of association between organizational learning and competitive advantage.

First sub- hypothesis

As shown in the results of Table 2, Pearson correlation coefficient 0.642 as positive and P-value in this test is 0.000 and as it is less than 0.05, first sub- hypothesis of study, there is a significant association between organizational learning and distinction in products is supported and it is consistent with the study of Allen and Meyer (1997) and Qelichlee (2006) in terms of association between organizational learning and distinction in product.

Second sub- hypothesis

CONCLUSION

AND

RECOMMENDATIONS

The following results are achieved of statistical analyses:

Main hypothesis

As shown in the results of Table 1, Pearson correlation coefficient 0.631 as positive and P-value in this test is 0.000 and as it is less than 0.05, main hypothesis of study, there is a significant association between organizational learning and competitive advantage is supported and it is consistent

As shown in the results of Table 3, Pearson correlation coefficient 0.393 as positive and P-value in this test is 0.019 and as it is less than 0.05, second sub- hypothesis of study, there is a significant association between organizational learning and cost management is supported and it is consistent with the study of Feizi (2011), Aliqoli (2012) and Ganer (1999) in terms of association between organizational learning and cost management.

Third sub- hypothesis

As shown in the results of Table 4, Pearson correlation coefficient 0.529 as positive and P-value in this test is 0.001 and as it is less than 0.05, third sub- hypothesis of study, there is a significant association between organizational learning and concentration on a part of market is supported and it is consistent with the study of Lajevardi (2010) and Zakeri (2009) in terms of association between organizational learning and concentration on a part of market..

Study recommendations

It is recommended that to create high competitive advantage in these companies, we can find the best ways to transfer learning and knowledge among employees in various sectors as:

- ✓ Develop the interaction of information and experiences among the employees.

- ✓ Integration of knowledge in the entire company should be performed.
- ✓ To improve learning, the company should update its knowledge and it should be used.
- ✓ Using research plans and achieving new information of competitors and market as main measurements.
- ✓ Top managers of company should support knowledge management and other items as strategic collaboration, CRM, sharing and quality of information with others.
- ✓ They should accept innovation and creativity among employees and employees should be encouraged to innovation and creativity.
- ✓ Human capital in each part is a capital.
- ✓ The company should support the sharing of ideas of employees as creating organizational participation can develop supply chain management and this refers to the role of organizational culture in correct implementation of supply chain management.
- ✓ It is recommended to the managers of company to consider a strategy plan for organizational learning.

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