

The concept of organizational learning has been the area of attention for academicians, practitioners, and researchers for decades. Organizational developments as a subject realized the significance of cognitive learning and behavioral development; and embraced the idea of 'learning organization' because of its potential to create and sustain competitive advantage in an organization. The purpose of the study is to explore the characteristics of a learning organization and examine the relationship of organizational learning and competitive advantage. Knowledge acquired is disseminated through learning in organization. It is noted that the petroleum companies are knowledge intensive and learning oriented, equipped with latest technologies and facing intense competition.

In Pakistan, no empirical research work has been done to explore the concept of learning organization to date. Literature review revealed systems thinking, mental models/culture, shared vision/mission, leadership, knowledge/information flow, personal mastery and team learning as antecedents of a learning organization. Survey questionnaire was distributed in all four strata of petroleum companies and in response of 225 questionnaires 170 were received back, out of which 165 were valid. Multiple regression analytic technique was applied to test the hypotheses. Statistical analysis revealed that all chosen characteristics of a learning organization significantly contribute towards achievement of competitive advantage. Shared vision and systems thinking emerged as most significant contributors.

This study signifies the impact of learning to achieve competitive advantage and requires the attention of executives and practitioners of organization development. It demands that the concept of learning organization if implemented with strategic intent in petroleum companies of Pakistan can be a sustainable source to develop and prepare organizations to cope up and adapt the environmental changes proactively.