

Conceptualizing Learning Organization towards Sustaining Learning Organization's Performance

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Abstract

A learning organization is a place where people in the organization are powerfully learning collectively and by their own to expand their knowledge and skills so that they can enhance and optimize their organizational performance at the maximum. This paper reviews the literature that leads to developing a conceptual framework of a study on the factors of learning organization towards sustaining an organization's performance. Based on the literature review, three main independent variables are identified, namely, learning culture, leadership and dialogue; while the dependent variable is sustainability of learning organization's performance. The study is significant to leaders in improving their organization's services and learning activities among staff toward sustaining their organization as a learning organization.

Keywords: Learning organization, learning culture, leadership, dialogue, sustaining learning organization

Introduction

In the 21st century, most organization tries to innovate in order to create competitive advantage among their competitors. Becoming a learning organization is an effort of an organization in order to provide intellectual capital to improve products or services to customers and as assets of the organization for future development. Like other organizations, most organizations are faced with new challenges that demand in order to endure the chaotic conditions in this revolving world (Kassim & Nor, 2006). The advancement of information technology has led to the dramatic changes in the organization's environment. Hence, in surviving this rapidly changing environment, the staff should inevitably change and explore new strategies and continuously transform themselves in order to meet their strategic goals. The organizations in which they work should embrace the concept of learning organization (LO) that can sustain the organization's performance. Senge (1990), author of *The Fifth Discipline* describes a learning organization as a place where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together. According to Kassim (2010), in today's economy, the development of the learning organization concept is set up and defined in different ways due to the need for organizations

to hold on the sustainability and competitiveness of the organization. Thus, the objective of this paper is to review the literature that leads to developing a conceptual framework of a study on the factors of learning organization towards sustaining an organization's performance in an organization.

Literature Review

Learning Organization and Organizational Learning

Many researchers have used the term "Learning Organization" and "Organization Learning" interchangeably despite their different meaning (Islam, Kassim & Sadiq, 2014). For instance, Erdem and Ucar (2013) defined a learning organization as a concept, where an organization continuously maintains and motivates employee training and development in order to provide opportunities to learn and develop their growth, thus increasing the success of learning as an investment and the capacity of the organization. In order to create a learning organization, a leader must develop or build a learning environment in their organization. Mumford (1996) examined the nature of a learning organization and suggests how to achieve it by creating an effective environment where the behaviors and practices involved is continuous and actively encouraged by the organization. Meanwhile, Organizational learning is becoming increasingly popular and has turned into the catchword of the 90s. An organization that endeavors to increase competitive advantage, innovation, and effectiveness, must pay attention to the concept of organizational learning (Kassim & Azizah 2005). The topic on organizational learning have largely remained in the area of academics while learning organization that are concerned more with how to transform the organizational behavior and bring it closer to a desired state are the areas of practitioners (Kassim, 2010; Ortenblad, 2002; Tsang, 1997). According to Ortenblad (2002) the two most common ways to differentiate between organizational learning and the learning organization are that learning organization is a form of organization while organizational learning is the process or activities in organizations. Moreover Huber (1991) noted that organizational learning is a dynamic and multi process that refers to the development of new knowledge and has the potential to change behavior of the whole. Since it involves deep in changing the view or mindset of individual and organizational behavior, it does a time consuming process (Murray & Donegan, 2003). Comparatively, Huber (1991) emphasized that firms that have developed a strong learning culture are good at inventing, creating, acquiring and transmitting knowledge, changing behavior that reflect new acquired knowledge and insight. There have been numerous trials to define organizational learning and its multi aspects. Simon (1991) posited that organizational learning is a dynamic process of using new knowledge and insights in order to improve staff behavior and performance. On the other hand, Senge (1990) expressed that organizational learning is a continuous application of experience and its transformation into knowledge are available and shared to the whole organization and align to their goals. Additionally, Huber (1991) saw it in different perspective, which is, a combination of four processes: acquisition of information, information dissemination, information explanation and organizational memory.

Learning Culture

Learning issues are dynamic and will be based on the requirements and effort of the people to learn. In keeping up with the required growth of a learning infrastructure, organizational members should be supported to advance their professional qualifications. These facilitate essential means to create and enhance a learning culture based on group work. Continuous learning opportunities are the prerequisites to enhance personal and professional growth and development among organizational members. According to Thomas and Brown (2011) learning in this twenty first century is rather not taking place in a classroom, it is happening all around us, everywhere and it is powerful. A learning culture is an organizational commitment to an effective ongoing learning and the team processes of communication, sharing, support and understanding that moves the organization forward. It is a set of norms and values about the functioning of an organization that supports systematic, in-depth approaches aimed at achieving higher-level, strategic or generative organizational learning through phases of information acquisition, information interpretation and accompanying behavioral and cognitive changes (Skerlavaj et al. 2007; Huber, 1991).

A learning culture is important in an organization and learning can be cultivated (Farago & Skyrme, 1995). The commitment of learning must receive broad backing from the top management, where people at all levels are encouraged to learn, develop and designate their thoughts. Moreover, Chinowsky, Molenaar, and Realph (2007) asserted that to have a proactive learning culture, an organization accentuate expenditure of time and resources. They also placed some key contributors to adopt learning culture in organizations such as performance, aging workforce, distributed workforce, best solutions, and growth of the organization's development. Azmee, Kassim and Sulaiman (2012) emphasized the benefits of a learning culture in organization that comprises of providing good quality of products and services, satisfying customer's needs, superior performance, committed and result-focused workforce.

Leadership

Leadership is commonly understood as the use of influence to encourage participation in achieving set goals. The leadership process involves the leader's personality and behaviors, the follower's perception of the leader and the context within which the interaction takes place (Day and Antonakis, 2012). Yukl and Heaton (2002) in their research noted that leadership is normally interpreted as the use of influence to promote participation in reaching set goals. Day and Antonakis (2012) explained that the leadership process involves the leader's personality and behaviors, the follower's perception of the leader and the context within which the interaction takes place. Pearce and Conger (2002) stressed that the primary concept of leadership is the relationship that takes place between leaders and followers. Bass (1991) said that leaders must structure or restructure perceptions, expectations, and situations of group member.

Leaders are a relational process between leader and followers, and are shaped by the setting. For leadership to be effective, Riggio, Murphy and Pirozzolo (2001) suggested that leaders must focus on their credibility and legitimacy with followers, the development of a relationship via identification of followers' needs and motivations, and deploying resources as to draw the best out of followers in order to meet established goals. Kotter (2001) clarified that leaders must adapt for change, motivate and inspire followers in the right direction. The effectiveness of leadership can also be focused on the good relationship beyond their

immediate subordinates. According to Balkundi and Kilduff (2006), leadership is related to social capital, which is leadership as a social capital that collects around certain individuals.

Dialogue

Dialogue is referred to here, not in the ordinary sense of a conversation between two people, but in a specific sense, defined by the late physicist Bohm (2003), which uses particular methods by which a group can participate in a pool of common substance which is capable of constant growth and variety. According to Senge (1994) dialogue helps people travel beyond the boundaries of their thinking. Through a process of collective inquiry, a deeper understanding of one another emerges with alternative points of view, bringing new approaches to old problems. There must be a 'facilitator' who 'holds the context' of dialogue (Senge, p. 243).

According to Bell (1996), dialogue in his study literally means "the flow of meaning". It helps people move beyond the limits of their thinking. Through a process of collective inquiry, a deeper understanding of one another emerges with alternative points of view, bringing new approaches to old problems. Based on Ballantyne (2004), dialogue has been discussed as a process of interactive learning together. The process between business counterparts is often spontaneous and unruly yet bounded by a serious intent to reach mutual understanding.

Moreover, according to Bokeno (2007) dialogue requires open conversation, honest, mutual interaction; not clearer messages, but authentic collaboration, not more communication, but different communication, trust, genuine self-reflection, exposure of clear and tacit ways of thinking, and willingness to grow through risk. Thus, it is easy to see that the premise for dialogue enthusiastically reaches far beyond the industry standard for "effective" internal communication. Based on Bokeno (2007)'s study, dialogue tends to be utilized in any of three broad ways:

- For more creative and innovative decision making and problem resolving.
- For a greater understanding, minimize conflict and increase tolerance of each other.
- For a mutual transformation or change on the part of the participants.

Sustaining Learning organization

Building and sustaining a learning organization is a challenging endeavor. Sustainable development has become popular for potentially integrating economic, environmental sustainability and social dimensions, which are known as the triple bottom line, in the performance evaluation of businesses (Jamali, 2006). Velazquez, Esquer, Munguía and Moure (2011) defined sustainability as a process to transit to sustainable development. It is a learning process that must be measured in a continuous scale where the stock of knowledge is increased along the time. Taking into consideration of this perspective, it is inadequate to consider sustainable development as discrete data where there are only two possible scores which are sustainable or unsustainable. Besides that, learning organization refers to an ideal form of organization where several processes take place for learning (Ortenblad, 2001). This concept has been challenged by Grieves (2008) who suggested the idea of abandoning the learning organization concept.

In addition, Kliucininkas (2001) mentioned that the sustainable development concept has also faced a lot of critiques because of its vague meaning and it can mean all or nothing at

the same time. This has become an intuitive concept that could be mentioned as a goal in any organization almost regardless of what they are doing. According to Velaquez et al. (2011), the existing knowledge about learning organization and sustainable development do not give a clear direction to firms' managers about how to become a sustainable learning organization; however, the learning sustainability experiences around the world have provided tools and mechanics to companies to enhance its economic profits without affecting the environment and communities.

Allenby (1999) claimed that there was not an organization that could call itself a sustainable organization because it is immersed in an unsustainable global economy. An organization needs to be more consistent towards the development and sharing of knowledge within and among the organization in order to improve and sustain organizational performance (Shamsul & Kassim, 2014). However, Nattrass (2013) suggested an industry's sustainability learning timeline in which sustainability knowledge can be developed to realize that they are part of nature and consciously integrate their vision and operations with natural cycle processes.

Theoretical Framework

This section demonstrates the theoretical framework for this study. Miles and Huberman (1994) defined a conceptual framework as a visual or written product, one that explains, either graphically or in narrative form, the main things to be studied on the key factors, concepts, or variables and the presumed relationships among them. This study is to identify the relationship between factors of learning organization (learning culture, leadership and dialogue) and determine the sustainability of the organization's performance. The independent variables of this study are the elements, such as learning culture, leadership and dialogue. These elements contribute to the sustainability of the learning organization's performance. The dependent variable of this study is the sustainability of the learning organization's performance that focuses on services and works that can be maintained in managing the learning organization. Figure 1 shows the conceptual framework of the study:

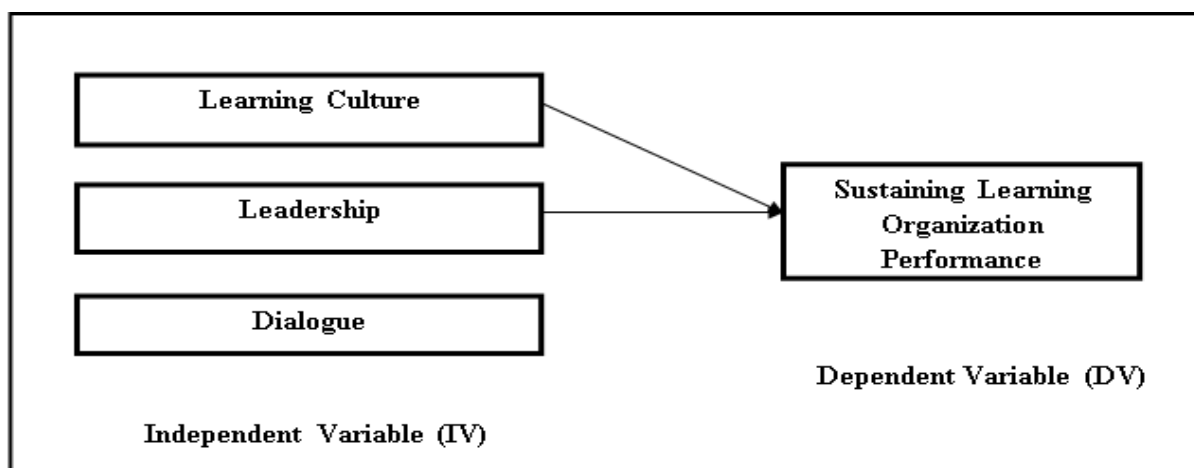


Figure 1: Conceptual Framework of Factors of Learning Organization towards Sustaining Learning Organization's Performance

Conclusion

In conclusion, this study has provided a literature review on the concepts of learning organization and identifies the core factors that contribute to the sustainability of the learning organization's performance namely learning culture, leadership and dialogue. In an effort to understand the area of the study, this paper provides relevant definitions, concepts and previous studies with regard to learning organization, learning culture, leadership, dialogue and sustainability of the learning organization's performance. It is hoped that this paper has conveyed an understanding on the issues of learning organization and sustainability of the learning organization's performance. The conceptual framework of the study is developed from literature search in journals, proceedings of conferences, digitized sources, books and other references related to learning organization and organization learning environment. The study is useful to the leaders and staff of an organization in improving the organization's services and learning activities toward sustaining their organization as a learning organization. In future, this conceptual framework can be extended to an empirical study.

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