LEARNING ORGANIZATION PRACTICES AS HUMAN RESOURCE DEVELOPMENT FOR TRANSFORMATIONAL CHANGE AT UTeM

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ABSTRACT

Effective management of human resource development in an organization can facilitate the achievement of its goals. In response to the challenges and expectations of the 21st century, institutions of higher education (IHEs) particularly, need to embrace transformational change in order to survive and maintain its excellence. This paper reports part of a research project that explored the perceived common practices of learning organization practices (LOPs) that have driven transformational change in a particular IHE, namely the University Technical Malaysia Melaka (UTeM). A survey questionnaire adapted from Learning Organisation Practices Profile (O'Brien, 1994), consisting of twelve LOPs was utilized to explore how far the LOPs have become common practices at the university. A probability stratified sampling was adopted and guided by Krejcie and Morgan's sample size estimation, a total of 306 samples comprising of executives, management staff, academics and support staff have been collected from a population of 1521. Statistical Package for Social Science (SPSS) 17 for Windows was used to analyze the samples. Based on the analysis of the mean scores of the twelve LOPs, it was found that the LOPs practices were beginning to become common practices at UTeM, although they have yet to be institutionalized. The common LOPs were the flow of information, collaborative and cooperative work environment and individual and team development through work experience. However, staff development particularly the rewards and recognition was perceived as the least common practice. These findings highlighted the significance of developing human resource by cultivating the culture of learning organization.

Keywords: human resource development, learning organization practices, transformational change, institutions of higher education.

1.0   INTRODUCTION

Within the dense interconnected world resulting from the rapid development of Information and Communication Technology (ICT) coupled with the fluidity and openness of globalization, we have witnessed a transition from industrial societies to

the emergence of knowledge-based societies (Castells, 1998). In this new context, the value of knowledge has become more important than capital production (Castells, 1998; Araya, 2010). Human capital development is viewed as ways to drive economic growth for individuals, industries and nations (Castells, 1998; Stevenson and Bell, 2009; Rizvi and Lingard, 2010) and learning has become a life-long endeavor (Jarvis, 2007). Members of the society are expected to acquire new skills and expertise in order to compete and survive the challenges of the continuous changing and uncertain environment (Pearn, 1995).

Human resource is the heart of an organization. To survive and cope with the challenges of the changing demands of globalization, organizations need to have knowledge worker (Wilson, 2005) that can learn new skills and adapt to the changes. In this regard, learning becomes the essence of existence and growth of organizations to compete and sustain within the competitive and dynamic environment (Pearn, 1995; O'Brien, 1994). They need human resources, comprising of leaders, managers and other staff that place the rate of effort for learning more than or equals to the rate of change. The relationship between learning and change can be represented by this simple formula, that is $L \geq C$ (*Learning $\geq$ Change*) (Garratt,1990). In addition, organizations also need to have a broader perspective in managing and developing their human resource. In other words, the management of human resource should not focus on the recruitment exercises, trainings, retirement programs and career development only. It should also include aspects of sustainability, motivation and commitment within the organization (Abdul Aziz, 2006, 2008).

As organizations, institutions of higher education (IHEs) need to adapt to the changes as these changes influence the ways in which IHEs are organized and managed (Ong Chon Sooi, cited in 2000). Specifically, operating within the market-driven global environment and reduced financial supports from the government, IHEs are adopting corporate-like management styles and becoming entrepreneurs (Banya, 2005; Marginson, 2007; Mok, 2010). Striving to gain competitive edge globally, attentions have been given towards generating income and achieving a global reputation through accreditation and rankings (Marginson, 2007). Strategic planning, vision and mission statements have been used as guides to steer their activities. Standardizations and measurement for quality assurance are becoming a common practice. According to Md Zahir (2006), the quality of IHEs is determined by three important aspects: human resources (human and material), teaching and learning process, which include the quality of the products (graduates, research outputs, and services). These three main aspects are interrelated to each other and they form as the focus of evaluation and accreditation to determine the prestige and sustainability of a particular IHE.

As indicated by Senge (1990) and Fullan (1982), organizations, such as IHEs should function as learning organizations (LO) to achieve its competitive edge and sustainability in the highly competitive global knowledge economy. Asserting that learning organizations are 'continually expanding [their] capacity to create [their] future, future', Senge defined LO as an organization wherein all its members continuously enhance their capacity to produce their intended output, preserve new and valuable ways of thinking, provide opportunities for collaboration and cultivate a learning community that continuously learns how to engage in collaborative learning.

In this regard, it is crucial for IHEs to engage in continuous learning and implement new management strategies and approaches for transformational change.

The LO culture emphasizes continuous learning and quality improvement. The main objective of human resource development based on LO is to ensure that the transformational change for the success of an organization is achieved through a learning process (Pearn, 1995). It is manifested not only in individual growth but also in team and system wide development (O'Brien, 1994). Human resource management that focuses on the cultivation of LO culture ensures that all members of the organization engage in learning activities so as to enhance their capacity to learn, adapt and change within the system of organization. It creates an energetic work environment since all members need to take an active role in learning, discussion, exchange of ideas, knowledge and experience in a continuous manner. The importance of cultivating LO culture has also been increasingly recognized in the higher education (Senge, 1990). In fact, developing human resource through LO can become the foundation for a sustainable growth of IHEs (Nik Mustapha, 2008) because it has "values, policies, practices, programs, systems, and structures that support and accelerate organizational learning" (O'Brien, 1994).

Whilst studies related to the practices of LO were conducted mostly at profit-oriented organizations, there has been an increase interest to explore the LO practices at IHEs. Earlier researches on LO conducted at IHEs found that among the factors that contributed to the manifestation of LO were leadership, culture, structure, mission and strategy, technology and communication (O'Brien, 1994; Senge, 1994). Johnson (1998) claimed that researches on the relationship between human resource, change management and LO have yet to offer specific guidance for IHEs to cultivate the culture of LO. Several studies have also been conducted at Malaysian IHEs. Based on O'Brien's LO practices profile, Iskandar (2000) conducted a study at the *Universiti Utara Malaysia*. It was found that the university is developing a framework to cultivate the LO practices.

In view that the manifestation of LO culture as a holistic way to develop and manage human resource that continuously engage in learning for quality improvement, this paper reports a part of a case study that explored the perceived common practices of learning organization practices (LOPs) that have driven transformational change in a particular IHE, namely the Universiti Teknikal Malaysia Melaka (UTeM). It is argued that the identification of the LO practices that have become common practices within an organization provides a valuable guidance for IHEs to develop a holistic approach in managing and developing its human resource, that is through the manifestation of learning organization culture. This subsequently facilitates institutional transformational change for sustainable growth and excellence. Thus, this paper focuses on the discussion of the LO practices that were perceived to be common practice among the staff at UTeM.

2.0   METHODOLOGY

This research employed a case study method at a particular setting that was at UTeM. The adoption of a case study research allowed the researchers to highlight the contextual condition (Yin, 2003) upon which the awareness of LO practices are manifested. Yin (2003) asserted that a case study builds on a thorough contextual understanding of the case, relies on multiple data source rather than on individual stories. Data for this research were drawn from a survey containing a set of 60 questionnaires distributed to different groups of staff and interviews. According to Babbie (1997), a questionnaire survey is an appropriate tool for a descriptive survey as it is one of the easiest ways to collect responses from the large group of respondents.

The purpose of this research also conformed both Yin (2003) and Stake's (2000) assertion that the main reason for conducting a case study is for replication rather than representatives. Thus, contextualized within a specific IHE's setting, the findings of this study were not intended for generalization, rather they were intended to be used as guidance for replication or lessons learnt. The rest of this section presents the method of this research.

2.1   Site of Investigation

The site of investigation was at UTeM. Established in early 2000, UTeM is one of the Malaysian Technical University Network (MTUN). As a focused IHE, UTeM documents its vision and mission which are presented in Table 1.

Table 1: Vision and Mission Statement of UTeM

	Description
Vision	To be one of the world's leading innovative and creative technical universities
Mission Statement	To produce highly competent professionals with good moral values through quality and world class technical university education based on application-oriented teaching, learning and research as well as to engage in smart university- industry partnership, consistent to the national aspirations

As indicated in its policy documents, UTeM has positioned itself within the global context by aiming to become one of the world's leading innovative and creative universities. The notions of innovative and creative, which have been recently become the focus of global knowledge economy (Araya, 2010; Florida *et al.,* 2010) have been translated through its mission statement that emphasizes the production of competent professional and the delivery of its educational products based on application-oriented teaching and learning approaches. Its mission statement is also shaped by the national higher education policies mandated by Ministry of Higher Education (MOHE). Responding to the Malaysian higher education reform (MOHE, 2007). UTeM has prioritised its partnership with the industries in order to keep in touch with the changing demands of the industries. This indicates the transformational change of

UTeM has also been framed by the national interests as inspired by the government (Morshidi and Kaur, 2010).

2.2 Samples

To gauge the awareness of the university's staff on the significance of LO practices to facilitate transformational change, a probability stratified sampling were adopted. As shown in Table 2, the sample comprises three main groups that are the executives, management staff and others. *Others* is the largest group as it includes all other staff that do not belong to the other two categories.

Table 2: Descriptions of the Sample

Group	No of Staff	Percentages
Executives	11	3.6
Management	83	27.1
Others*	212	69.3
Total	306	100

*Others comprises of academics and support staff

As shown in Table 2, the executive level is represented by the senior management and the Dean of the Faculties and Head of the Centres. The management level is represented by the Deputy Deans and the Head of Departments within Faculty and Centre. Academics who do not hold any management duties and non-academic staff are classified as *Others*. The estimation of the sample size, that is a total of 306 is derived based on the 95% confident level as stipulated by Krejeie and Morgan (1997).

2.3 Instruments

The instrument for the survey was a set of 60 questionnaires that were adapted from O'Brien's Learning Organization Practices Profile. O'Brien developed twelve sub-systems of LO practices that can be used to measure the manifestation of LO culture within an organization (Refer Appendix for the description of the twelve LO practice sub-systems). For the purpose of this study, the twelve sub-systems were further categorized into three main categories which are leadership, system and overall work structure and staff development and appraisal. Each item was measured using five point Likert scale from 1 as *strongly disagree,* 2 as *disagree*, 3 as *slightly disagree,* 4 as *agree*, and 5 as *strongly agree*. A value of 0.98 *Alpha Cronbach* was achieved from the pilot study, indicating that the instrument has a strong validity.

2.3 Data Collection and Analysis

The questionnaires were distributed to 400 employees at various faculties and departments at UTeM. A total of 306 responses were returned and 94 were considered as non-response. The collected data were analysed quantitatively using *Statistical Package for Social Science (SPSS)* 17 for Windows. For the discussion of this paper,

the descriptive analysis particularly, the mean scores and ranking of the twelve sub-systems were used to describe the perceptions of university staff regarding the LO practices that facilitate transformational change. Based on the mean score of each of the twelve sub-systems, the levels of significance were identified under three levels: high, medium and low. The classification of the three levels is shown in Table 3.

Table 3: The three levels of LO Practices based on the Mean Score

Range of Mean Scores	Level of LO Practice	Descriptions
3.67 – 5.00	High	Manifestation of LO is in progress and is achievable
2.34 – 3.66	Medium	Requires on-going improvement
1.00 – 2.33	Low	Requires re-structuring of the strategic planning

3.0 RESULTS AND DISCUSSIONS

The results are presented in Table 4 and 5. Specifically, Table 4 shows the different levels of the three common categories of LOPs that were perceived to facilitate transformational change at UTeM. The twelve sub-systems for each of the three categories were also presented based on their level of importance.

Table 4: LO Practices based on their Mean Scores and Ranking

No	Learning Organization Practices [1]	Mean Score	Rank	Levels of LO practice
A. LEADERSHIP				
1	Climate	4.05	2	High
2	Vision and Mission	3.96	5	High
3	Executive Practices	3.88	10	High
4	Managerial Practices	3.78	11	High

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[1] The characteristics of Learning Organization practices are drawn from O'Brien's (1994) Learning Organization Practices Profile which outlines twelve sub-systems under three main categories as shown in Table 1.

	Overall	**3.91**	**II**	**High**
	B. SYSTEM AND OVERALL WORK STRUCTURE			
5	Information Flow	4.13	1	High
6	Individual and Team Practices	3.97	4	High
7	Work processes	3.93	6	High
8	Organizational and Job Structure	3.87	8	High
	Overall	**3.97**	**I**	**High**
	C. STAFF DEVELOPMENT AND APPRAISAL			
9	Individual and Team Development	4.00	3	High
10	Performance Goals and feedback	3.91	7	High
11	Training and education	3.86	9	High
12	Rewards and recognition	3.65	12	Medium
	Overall	**3.86**	**III**	**High**
	OVERALL MEAN	**3.91**		**HIGH**

3.1 Learning Organization Culture

The study found that the overall mean score for LO practices (3.91) was positioned at the bottom level of High (See Table 3). This implies that the LO practices were beginning to become common practices at UTeM, although they have yet to be institutionalized. The perceived high level of LO practices also implies that the staff of UTeM, regardless of their hierarchical levels are aware of the LO practices as they respond to the transformational change.

As shown in Table 4, the three categories of LO practices were perceived to have high level of LO practices. The highest level was *system and overall work structures* (overall mean 3.97), followed by *leadership* (overall mean 3.91) and finally, *staff development and appraisa*l (overall mean 3. 86). However, among the three common categories, they perceived that the LO practices related to staff development and appraisal have yet to become common practices within the university. In this case, the LO culture that emerged within UTeM tend to be dominated by the LO practices related to leadership and work structures only. Considering that the manifestation of LO culture depends on the synergistic relationships of all the LO practices (O'Brien, 1994), this findings indicate that more attention should be given to cultivate the LO practices related to staff development and appraisal. Thus, this shows the importance of developing human resources to cultivate the manifestation of LO culture in which all values, policies, systems and structures align with each other to facilitate the transformational change for sustainable growth and excellence.

Further analysis of each of the categories was also carried out and the results are presented below.

3.2 System and Overall Work Structure

This category had the highest mean score among the three categories. Among the four sub-systems under this category, the flow of information was found to have the highest mean score (4.13), followed by individual and team practices (3.97), work processes (3.93) and organizational and work structures (3.87). All of the sub-systems were positioned at the high level which indicate that the LO practices for this category were prevalent at UTeM. In this case, the framework of the system and overall work structure at UTeM provided a conducive platform or environment for the manifestation of LO culture.

3.3 Leadership

This category was the second highest level with the mean score of 3.97. Under this category, the highest level was represented by the organizational climate (4.05), followed by vision and mission (3.96), executive practices (3.78) and finally, managerial practices (3.78). All of the sub-systems were at the high level of LO practices, implying that the staff's perceived that the leadership practices at UTeM seem to promote the manifestation of LO at UTeM. However, the executive practices and particularly managerial practices were below the overall mean score of 3.91. This implies that the staff perceived that the management were not geared towards the development of LO culture. Thus, it would be interesting to explore the challenges and constraints faced by the management in developing the LO culture at UTeM.

3.4   Staff Development and Appraisal

Staff development and appraisal received the least mean score among the three categories (3.86). Under this category, three of the four sub-systems were perceived to have high level of LO practices. They were individual and team development (4.00), performance goals and feedback (3.91), and training and education (3.86). It is interesting to note that rewards and recognition was positioned at the medium level (3.65). In fact, it was the only sub-system that was perceived to have a medium level in comparison to the other sub-systems. Since human resource is the heart of an organization, more attention is needed to transform the LO practices related to staff development particularly the reward and recognition into common LO practices.   This findings conform to the earlier assertion that human resource management should be emphasized for the manifestation of LO culture.

3.5   The Ranking of the Twelve LO Practices

The different levels of significance of the twelve sub-systems were arranged according to the highest and the lowest mean score. As shown in Table 5, the overall mean score (3.91) for all the LO practices was used as a benchmark to identify the LO practices considered as common practice from those that were otherwise.

Table 5: LO Practices at UTeM based on Ranking

Ranking	Sub-systems	Mean Score	Level
1	Flow of information (B)	4.13	High
2	Climate (A)	4.05	High
3	Individual &Team Development (C)	4.00	High
4	Individual and Team Practices (B)	3.97	High
5	Vision and mission (A)	3.96	High
6	Work processes (B)	3.93	High
7	Performance Goals & Feedback (C)	3.91	High
Overall Mean Score : 3.91			
8	Executive Practices (A)	3.88	High
9	Organisational and Job Structure (B)	3.87	High
10	Training and education (C)	3.86	High
11	Managerial Practices (A)	3.78	High
12	Rewards and Recognition (C)	3.65	Medium

Specifically, seven LO practices have become common practices and the highest ranking was the flow of information. The information flow can be related to the necessity to use technology in our daily work practices. Additionally, the LO culture at UTeM were also characterized by the practices of sharing knowledge, cooperation and collaboration, shared understanding of the vision and mission and appropriate work structure.

Meanwhile, the study found that there were five LO practices located below the overall mean score. These LO practices need further attention in order to cultivate a productive LO culture that supports and accelerates continuous learning for transformational change. The five LO practices below the overall mean score were executive practices (leadership); organizational and job structures (system and work structure), training and education (staff development and appraisal), managerial practices (leadership) and rewards and recognition (staff development and appraisal). Among these five LO practices, the rewards and recognition needs the most attention, hence this indicates the significance of developing and managing human resource through cultivating LO culture.

4.0   CONCLUSIONS

This paper describes the manifestation of LO culture at UTeM based on the perceptions of the staff from different hierarchical positions. Framed by the LO practices profile developed by O'Brien (1994), the manifestation of LO culture at UTeM were largely contributed by its efficient flow of information and collaborative and cooperative work environment. Learning from work experience was perceived to be among the common LO practices that contribute to the manifestation of LO at UTeM. However, there was other LO practices that have yet to become common practices, particularly the reward and recognition. Thus, this indicates the significance of developing human resource by cultivating the culture of organizational learning.

This report provides a snapshot of the manifestation of LO culture at UTeM. However, it serves an insightful guidance particularly for UTeM to strategize their activities towards the manifestation of LO culture that facilitates transformational change for sustainable growth and excellence.

Further investigation on the constraints and challenges related to the LO practices that have yet to become common practices provide valuable insights for the manifestation of the culture of LO.

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