LEARNING ORGANIZATION PRACTICES: A CASE OF S.E.H. (MALAYSIA) SDN. BHD.

LIEW SIEW FAH

FPP 1999 11
LEARNING ORGANIZATION PRACTICES: 
A CASE OF S.E.H. (MALAYSIA) SDN. BHD.

BY
LIEW SIEW FAH

A Research Project submitted to the
Department of Professional Development and Continuing Education,
Faculty of Educational Studies, in partial fulfillment of the requirements for
the degree of Master of Science (Human Resource Development)
Universiti Putra Malaysia
March 1999
The research project entitled “Learning Organization Practices: A Case of S.E.H. (Malaysia) Sdn. Bhd.” by Liew Siew Fah is submitted in partial fulfillment of the requirements for the degree of Master of Science (Human Resource Development) in the Department of Professional Development and Continuing Education, Faculty of Educational Studies, Universiti Putra Malaysia.

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DEDICATION

This project is dedicated to you, sister Lan.

I missed your laughter since 15th January 1999 when you left us suddenly and unexpectedly.

Remember you forever.

Liew Siew Fah
ACKNOWLEDGEMENTS

In many ways, this is the most unusual project I have completed. Unusual because it excites me so much, and many lessons learnt throughout the project has great impact and values to my life. Never forgetting how I have to wrestle with time and emotions when I lost my sister in the midst of completing the project.

I would especially like to express my sincere gratitude and special appreciation to my advisor, Dr. Shamsuddin Ahmad for his tremendous encouragement, comments and guidance. His patience and inspiration have been invaluable. Acknowledgement is also due to Dr. Jegak Uli for his advice on statistical matters, valuable comments and suggestions.

My sincere appreciation and thanks are also dedicated to Professor Sharan Merriam and Professor Karen Watkins from the University of Georgia for their invaluable assistance and guidance. Special thanks to Professor Karen Watkins for her kindness in allowing me to use their DLOQ instrument.

I am grateful to Associate Professor Dr. Aminah Ahmad, Dr. Maznah Muhammad, Dr. Jamilah Othman, Dr. Turiman Suandi, Dr. Hajah Asma Ahmad, Dr. Bahaman Abu Samah, and other lecturers. Acknowledgement is also due to the management and staff of S.E.H. (M) Sdn. Bhd. for their cooperation during the survey.
As always, I am thankful to all my friends who have been a source of inspiration and never failing assistance when needs arises. You are ever-faithful, always dependable and your supports have been the great source of strength for my endurance in completing this project. You did a magnificent job.

Special acknowledgement is due to my family for their patience, love, encouragement and understanding throughout the graduate program. You are wonderful to me.

Last but not least, to God be the glory and honor. Your unfailing grace is the source of strength and you are the anchor of my life.
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ACKNOWLEDGEMENTS</th>
<th>..................................................</th>
<th>ii</th>
</tr>
</thead>
<tbody>
<tr>
<td>TABLE OF CONTENTS</td>
<td>..................................................</td>
<td>iv</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>..................................................</td>
<td>vii</td>
</tr>
<tr>
<td>LIST OF FIGURE</td>
<td>..................................................</td>
<td>x</td>
</tr>
<tr>
<td>LIST OF ABBREVIATION</td>
<td>........................................</td>
<td>xi</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>..................................................</td>
<td>xii</td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>..................................................</td>
<td>xv</td>
</tr>
</tbody>
</table>

CHAPTER

I INTRODUCTION

| Background of the Study | .................................................. | 1 |
| Why Learning Organization? | ........................................ | 2 |
| Concept of Learning Organization | ................................ | 4 |
| Statement of the problem | .................................................. | 6 |
| Objectives of the Study | .................................................. | 8 |
| General Objective | .................................................. | 9 |
| Specific Objectives | .................................................. | 9 |
| Significance of the Study | .................................................. | 10 |
| Assumptions | .................................................. | 10 |
| Limitations of the Study | .................................................. | 11 |
| Definition of Terms | .................................................. | 12 |
| Create Continuous Learning Opportunities | .................................. | 12 |
| Promote Inquiry and Dialogue | .......................................... | 12 |
| Encourage Collaboration and Team Learning | .................................................. | 12 |
| Create Systems to Capture and Share Learning | .................................................. | 12 |
| Empower People toward A Collective Vision | .................................................. | 13 |
| Connect the Organization to its Environment | .................................................. | 13 |
| Provide Strategic Leadership for Learning | .................................................. | 13 |
## LITERATURE REVIEW

<table>
<thead>
<tr>
<th>Introduction</th>
<th>Concepts and Definitions of Learning Organization</th>
<th>Learning in Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Definition of Learning</td>
<td>Types of Learning</td>
</tr>
<tr>
<td></td>
<td>Levels of Learning</td>
<td></td>
</tr>
<tr>
<td>Evolution of Organizations</td>
<td>Traditional versus Learning Organizations</td>
<td>Traditional Training versus Organizational Learning</td>
</tr>
<tr>
<td></td>
<td>Learning Organization vs. Stagnant Organization</td>
<td>Learning vs. Training</td>
</tr>
<tr>
<td></td>
<td>What is Unlearning Organization?</td>
<td></td>
</tr>
<tr>
<td>Characteristics of Learning Organization</td>
<td>Features of Learning Organization</td>
<td>Becoming a Learning Organization</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promote Inquiry and Dialogue</td>
</tr>
<tr>
<td>Team Learning</td>
</tr>
<tr>
<td>Empowerment</td>
</tr>
<tr>
<td>Provide Strategic Leadership for Learning</td>
</tr>
</tbody>
</table>
Knowledge Management and Financial Performance 53
Background of S.E.H. (Malaysia) Sdn. Bhd. 55
Summary 56
Framework of the Study 58

III METHODOLOGY
Research Design 59
Population and Sample 60
Measurement and Instrument 61
Pre-testing of The Measurement 63
Data Collection 65
Data Analysis 67

IV FINDINGS AND DISCUSSIONS
Introduction 68
Profile of respondents in S.E.H. (M) 69
Perceived reaction of respondents toward “continuous learning” in S.E.H. (M) 73
Perceived reaction of respondents toward “dialogue and inquiry” in S.E.H. (M) 75
Perceived reaction of respondents toward “team learning” in S.E.H. (M) 77
Perceived reaction of respondents toward “embedded systems” in S.E.H. (M) 79
Perceived reaction of respondents toward “empowerment” in S.E.H. (M) 81
Perceived reaction of respondents toward “system connection” in S.E.H. (M) 83
Perceived reaction of respondents toward “leadership” in S.E.H. (M) 85
Perceived reaction of respondents toward “financial performance” in S.E.H. (M) 88
Perceived reaction of respondents toward
“knowledge performance” in S.E.H. (M) ........................................... 90
Comparison of Mean Scores for All Dimensions ......................... 92
Open-ended questions ................................................................. 94

V SUMMARY, CONCLUSION AND RECOMMENDATION
Summary .......................................................................................... 97
Objective of the study ................................................................. 97
Research methodology ............................................................... 98
Findings ......................................................................................... 99
Special Reports ............................................................................. 104
Conclusion .................................................................................... 105
Recommendation .......................................................................... 107
Recommendation on Practice ..................................................... 107
Recommendation for future research ........................................ 109

BIBLIOGRAPHY ............................................................................. 110

APPENDICES
Appendix A – The Learning Company Profile .............................. 115
Appendix B – The Fountain Tree .................................................. 117
Appendix C – Questionnaires ....................................................... 119
LIST OF TABLES

Table                      Page
1  Relationship between Individual Action and Organizational Support .......... 27
2  Eight Characteristics of The Traditional Versus The Learning Organization .......... 29
3  Traditional Organization and Learning Organization ...................... 29
4  Traditional Training versus Organizational Learning ...................... 30
5  Differences between A Learning Organization and A Stagnant Organization .......... 31
6  Key Differences Between Learning and Training ......................... 33
7  Changes in organizations ........................................ 52
8  Reliability Coefficients of Seven Dimensions of LO and Two Performance Measurements at Pre-Test and Final Stage .......... 65
9  Percentage Distribution of Respondents by Position .................... 69
10 Percentage Distribution of Respondents by Age .......................... 71
11 Percentage Distribution of Respondents by Gender ....................... 71
12 Percentage Distribution of Respondents by Tenure ......................... 72
13 Percentage Distribution of Respondents by Academic Qualification .......... 73
14 Perceived Reaction of Respondents Toward Creating Continuous Learning in S.E.H. (M) .......... 74
15 Perceived Reaction of Respondents Toward Promoting Dialogue and Inquiry in S.E.H. (M) .......... 76
16 Perceived Reaction of Respondents Toward Team Learning in S.E.H. (M) .......... 78
17 Perceived Reaction of Respondents Toward Embedded Systems in S.E.H. (M) .......... 80
18 Perceived Reaction of Respondents Toward Empowerment in S.E.H. (M) .......... 82
19 Perceived Reaction of Respondents Toward System Connection in S.E.H. (M) .......... 84
<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
<th>End Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>Perceived Reaction of Respondents Toward Leadership in S.E.H. (M)</td>
<td>87</td>
</tr>
<tr>
<td>21</td>
<td>Perceived Reaction of Respondents Toward Financial Performance in S.E.H. (M)</td>
<td>89</td>
</tr>
<tr>
<td>22</td>
<td>Perceived Reaction of Respondents Toward Knowledge Performance in S.E.H. (M)</td>
<td>91</td>
</tr>
<tr>
<td>23</td>
<td>Summary Results of All The Dimensions</td>
<td>93</td>
</tr>
<tr>
<td>24</td>
<td>Perceived Reaction of Respondents Toward All Variables By Highest and Lowest Item and, its Mean and Overall Mean</td>
<td>100</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Learning Process Component</td>
<td>19</td>
</tr>
<tr>
<td>2</td>
<td>A Snapshot of Organizational Evolution</td>
<td>28</td>
</tr>
<tr>
<td>3</td>
<td>Framework for the Learning Organization</td>
<td>39</td>
</tr>
<tr>
<td>4</td>
<td>Systems Learning Organization Model</td>
<td>40</td>
</tr>
<tr>
<td>5</td>
<td>Learning Organization Action Imperatives</td>
<td>42</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>DL</td>
<td>Deutero Learning</td>
<td></td>
</tr>
<tr>
<td>DLL</td>
<td>Double-loop Learning</td>
<td></td>
</tr>
<tr>
<td>DLOQ</td>
<td>Dimensions of the Learning Organization Questionnaire</td>
<td></td>
</tr>
<tr>
<td>HRD</td>
<td>Human Resource Development</td>
<td></td>
</tr>
<tr>
<td>LO</td>
<td>Learning Organization</td>
<td></td>
</tr>
<tr>
<td>MBTI</td>
<td>Myers Briggs Types Indicators</td>
<td></td>
</tr>
<tr>
<td>QCC</td>
<td>Quality Control Circles</td>
<td></td>
</tr>
<tr>
<td>SLL</td>
<td>Single-loop Learning</td>
<td></td>
</tr>
<tr>
<td>SOP</td>
<td>Standard Operating Procedures</td>
<td></td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Science</td>
<td></td>
</tr>
<tr>
<td>TQM</td>
<td>Total Quality Management</td>
<td></td>
</tr>
<tr>
<td>VSS</td>
<td>Voluntarily Separation Scheme</td>
<td></td>
</tr>
</tbody>
</table>
Abstract of Research Project submitted to the Department of Professional Development and Continuing Education, Faculty of Educational Studies, Universiti Putra Malaysia in partial fulfillment of the requirements for the degree of Master of Science (Human Resource Development).

LEARNING ORGANIZATION PRACTICES:
A CASE OF S.E.H. (MALAYSIA) SDN. BHD.

By
LIEW SIEW FAH
MARCH 1999

Supervisor : Dr. Shamsuddin Ahmad, Ph.D.
Faculty : Department of Professional Development and Continuing Education,
Faculty of Educational Studies

In Malaysia, the Learning Organization (LO) paradigm has gained wider grounds in many organizations and there has been a dramatic increase in its interest. Nevertheless, confusion on the concepts of LO is still present, many people still lack or have very little knowledge on it. Furthermore, their impacts on strategic management in many organizations remain unclear, abstract and under examined. But many organizations are now opting for a shift from traditional learning to learning organization paradigm for corporate survival and competitiveness in global market.
This study attempts to measure the management practices of S.E.H. (Malaysia) Sdn. Bhd. against the seven dimensions of LO, and how this organization is transforming and embarking into learning organization based on a model developed by Watkins and Marsick (1993, 1996).

The specific objectives of the study were to: 1) examine the degree of creating continuous learning opportunities at the individual level, 2) measure the degree of promoting inquiry and dialogue at the individual level, 3) identify the degree of team learning and collaboration among employees, 4) identify the degree of utilizing the systems to capture and share learning, 5) identify the degree of empowering people toward a collective vision, 6) identify the degree of connecting the organization to its environment and 7) identify the degree of the providing of strategic leadership for learning. In addition, it also measures the degree to which perceived reaction of respondents toward changes in financial performance and knowledge performance at S.E.H. (M).

The questionnaire was pre-tested on twelve employees. A total of 72 respondents from various levels of positions in this organization were selected for data analysis. Descriptive statistics were used to explain the practices of the seven dimensions of LO and two additional performance factors.

The findings reveal that S.E.H. (M) Sdn. Bhd. is at a moderate stage of becoming a learning organization. It was evident that S.E.H. (M) has a strong leadership strategic in fostering learning, especially in supporting requests for learning opportunities and training. This was well supported by seeing their extensive monthly training programs provided by the HRD Department. The
findings also indicate that S.E.H. (M) often engaged in team learning, such as QCC, task groups and project team. However, the perceived changes from the respondents about knowledge and financial performance were revealed to be weak. This was probably due to the economic crisis currently prevailing in Asia countries.

As a conclusion, although becoming a LO is not a destination, for some organizations, it is a journey that an organization should embark into and unconsciously practicing it. Some recommendations to improve the LO practices are: S.E.H. (M) should show confident in their teams/groups recommendations, leaders be the pace-setter, model, coach and mentor in the learning processes to their employees, S.E.H. (M) should creating continuous learning opportunities and constantly promote dialogue and inquiry among the employees.
Abstrak Projek Penyelidikan yang dikemukakan kepada Jabatan Pemajuan Profesional dan Pendidikan Lanjutan, Fakulti Pengajian Pendidikan, Universiti Putra Malaysia, untuk memenuhi sebahagian syarat untuk Ijazah Master Sains (Pembangunan Sumber Manusia).

AMALAN ORGANISASI PEMBELAJARAN:
SATU TINJAUAN DI S.E.H. (MALAYSIA) SDN. BHD.

Oleh
LIEW SIEW FAH
MARCH 1999

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Fakulti Pengajian Pendidikan

Di Malaysia, paradigma organisasi pembelajaran mula tersebar luas dan menarik minat pelbagai organisasi. Namun begitu, kekeliruan tentang konsep organisasi pembelajaran masih wujud dan masih ramai orang yang kurang memahaminya. Tambahan pula, kesan pengurusan strategik terhadap organisasi pembelajaran masih kabur, abstrak dan di peringkat ujian. Namun demikian, kebanyakan organisasi memilih untuk bertukar daripada pembelajaran secara tradisional kepada paradigma organisasi pembelajaran agar mereka mampu bertahan dan bersaing di pasaran global.

Kajian ini cuba menilai amalan pengurusan yang dipraktikkan di S.E.H. (M) dengan tujuh dimensi organisasi pembelajaran, dan sejauh mana organisasi ini...

Objektif kursus kajian ini adalah: 1) menguji sejauh mana kewujudan peluang pembelajaran berterusan di peringkat individu, 2) menguji sejauh mana individu diberi peluang untuk berdialog dan bersoal-jawab, 3) mengenalpasti sejauh mana pembelajaran secara kumpulan dan kerjasama di kalangan pekerja, 4) mengenalpasti sejauh mana penggunaan sistem dalam mendapatkan dan berkongsi matlamat untuk pembelajaran, 5) mengenalpasti sejauh mana organisasi memberi kuasa kepada pekerja untuk menyumbang dalam pembinaan visi organisasi, 6) mengenalpasti sejauh mana organisasi dapat menghubungkan pekerja dengan persekitarannya, dan 7) mengenalpasti sejauh mana organisasi dapat menyediakan kepimpinan strategik untuk pembelajaran. Di samping itu, kajian ini juga ingin mengukur persepsi pekerja berhubung perubahan prestasi kewangan dan prestasi pengetahuan dalam organisasi ini.

Pra-udi telah dijalankan ke atas 12 orang pekerja dengan menggunakan soal-selidik DLOQ. Sejumlah 72 orang pekerja daripada pelbagai peringkat dalam organisasi telah dipilih sebagai responden. Analisa statistik deksriptif telah digunakan untuk menjelaskan sejauh mana amalan dimensi organisasi pembelajaran.

Hasil kajian menunjukkan S.E.H. (M) masih berada di peringkat sederhana ke tahap organisasi pembelajaran. Terbukti bahawa S.E.H. (M) mempunyai kepimpinan strategik yang kuat dalam memajukan pembelajaran terutamanya menyokong pekerja mendapatkan peluang pembelajaran dan latihan. Ini disokongi oleh program latihan bulanan yang sering kali disediakan oleh jabatan pembangunan.
sumber manusianya. Hasil kajian juga menunjukkan S.E.H. (M) sentiasa melibatkan diri dalam pembelajaran berpasukan seperti Kumpulan Kawalan Kualiti (Quality Control Circle), kumpulan kerja dan pasukan projek. Namun begitu, responden beranggapan prestasi pengetahuan dan prestasi kewangan agak lemah. Keadaan ini mungkin disebabkan oleh krisis ekonomi yang melanda Asia masa kini.

CHAPTER I

INTRODUCTION

Background of the Study

The organizations in the 1990s are increasingly taking cognizance of the fact that learning makes the critical difference. As such many organizations are now opting for a shift from traditional learning to learning organization paradigm.

As a result of this paradigm shift, learning and work have become synonymous terms. Learning is frequently a part of the task itself and learning must take place as on-going by-product of people doing their work. Rather than acquiring knowledge before performing a particular job, and now employees must learn their way out of the work problems they addressed.

Learning is now so essential for career success, corporate survival, and national prosperity that it no longer makes sense to relegate it to certain institutions or to particular periods in one’s life. Learning is now everybody’s business. Dixon (1993) therefore expresses that the reason most organizations are inefficient learners is their lack of systematic processes to facilitate learning.

There must, therefore, be a whole new mindset regarding the concepts of learning organization. As such, many organizations are struggling to becoming a learning organization, yet many still unclear about learning or how does it transforms an organization. Each one trying to grasp the concept of learning organization just like the fable in which blind men try to describe an elephant, each
feeling only one part. Similarly, one’s perception of a learning organization as a whole may depend on which part one touches. Everyone looks at learning organization

**Why Learning Organization?**

According to Dixon (1993), too many organizations unfortunately are unable to learn from their mistakes, they fail to adapt to customer needs and do not improve their processes to meet rising competitive standards, and as a result they eventually lose market share and drop out of the race. Change has become a constant and as such, organizations need to continuously learn in order to adapt, compete and succeed in today’s world.

Many writers (Senge, 1990; Nonaka, 1991; Watkins and Marsick, 1993; Dixon, 1994; Ryllat, 1994; Hitt, 1995; Marquardt, 1996; Black and Synan, 1996; Sligo, 1996; Dunphy, Tutner and Crawford, 1997; Probst and Buchel, 1997; Redding, 1997) have asserted that the ability to learn in an organization is a key factor for adapting to the myriad of changes prevailing nowadays. It is essential for survival and competitiveness in the global market.

In Malaysia, the Learning Organization paradigm has begun gaining access to many organizations. There is constant reminder from the ministers to organization to adopt best practices in order that they are on par with their competitors in the highly competitive market (Rafidah Aziz, New Strait Times, 25 November 1998).

The Noah Principle states, “One survives, not by predicting the rain, but by building arks” (Redding, 1997:66). According to Redding, a learning organization is an organization that takes action so that it can weather future storms. If a company
fails to see the world has changed and if it does not adapt to change, it will die. Daudelin and Hall (1997) further assert that “Managers who succeed in today's turbulent business environment are those who learn quickly and apply that learning to unpredictable, rapidly occurring new situations” (p.13).

As organizations move from the Industrial age into the Information age, there are enormous and irreversible changes sweeping through the world today. These changes redefine the ways in which people work and interact with one another. In fact, change is happening so quickly that leaders of both private and public organizations find that they are facing constant and bewildering barrage of challenges. Successfully meeting such challenges will require new methods, new skills, and new structures – in short, a new organization.

Also, today’s competition increases throughout the international marketplace, it has become imperative for the survival of the organization to develop a capacity to change and learn. The development of the learning organization is associated with the need to provide for internal renewal of the organization in the face of a competitive environment. A learning organization has been defined by Watkins and Marsick (1993) as one that learns continuously and can transform itself as it empowers the people, encourages collaboration and team learning, promotes open dialogue, and acknowledges the interdependence of individuals and the organization.

Marquardt (1997) also has similar definition and acknowledges that organizational learning is a critical paradigm for corporate success in the 21st Century. Furthermore, learning can be translated into performance with the
utilization of advanced technology, empowerment of people within and outside the organization, and ultimately, enhances the productivity of the organization.

Senge (1990) views a learning organization as one "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" (p.3).

Concept of Learning Organization

The concept of learning is no longer new to an organization and there has been a range of literature discussing on this concept of the learning organization since late 1970's. Many authors (Argyris and Schon, 1978; 1996; Dennis, 1996; Dixon, 1993; Field, 1995; Marquardt, 1997; Senge, 1990; Stone, 1998; Watkins and Marsick, 1993; Waugh, 1996) stated that learning takes place in the organizations on a continuous basis and it is recognized as an essential ingredient for the organizational performance. According to Argyris and Schon (1996), there is virtual consensus that we are all subject to a 'learning imperative,' and in the academic as well as the practical world, organizational learning has become an idea in good currency. Waugh (1996) further supported this viewpoint that recurrent, lifelong education and training are implicit requirements of the modern workplace.

However this definition is questioned by some of the recent authors for its idealism (Lakomski, 1998) and there are doubts of the existence of such organizations (Dennis, 1997; Garavan, 1997; Marsick, 1997; Tight, 1996; Watkins and Marsick, 1993). These authors believed that very few members of the
organization had understood or had awareness on the fundamental elements and approaches needed to create a learning organization.

This definition is more forceful in that it embraces the notion of learning at an individual and organizational level as a means of ensuring development through continuous improvement. It recognizes the employee interaction with the workplace setting and its broader environs, and also hints at the systems and support necessary to facilitate enhanced productivity through learning.

In contemporary organizations, development through continuous improvement is of top priority and Total Employee Involvement concept is applied. Employees are viewed as partners of company as supported by Marquardt (1997) who cites Zuboff (1988) by saying learning is neither a separate activity that occurs before one enters the workplace or in remote classroom settings, nor is an activity preserved for a managerial group. But learning is the heart of productive activity. However, ongoing learning for continuous improvement does not simply just happen in the organizations. It requires specialized knowledge and skills to ensure that opportunities for learning at individual, group and organizational level are effectively embedded in the organization’s systems and work practices Dennis, 1997; Field, 1995; Waldner, 1997; Watkins and Marsick, 1993).

Watkins and Marsick (1993) believes that there is no clear prescription for creating a learning organization. Nevertheless, this way of thinking about an organization requires changes of considerable magnitude. Waldner (1997) reinforces this point by believing that the transition to a learning organization involves complex change, and that transforming a complex system to learning organization is a difficult task.