



**UNIVERSITI PUTRA MALAYSIA**

**THE INTRODUCTION OF LEARNING ORGANIZATION IN SELECTED  
MALAYSIAN ORGANIZATIONS: A COMPARATIVE CASE STUDY**

**ABD RAHMAN BIN AHMAD**

**FPP 2000 4**

**THE INTRODUCTION OF LEARNING ORGANIZATION IN SELECTED  
MALAYSIAN ORGANIZATIONS: A COMPARATIVE CASE STUDY**

**By**

**ABD RAHMAN BIN AHMAD**

**Thesis Submitted in Fulfilment of the Requirements for the  
Degree of Doctor of Philosophy in the Faculty Educational Studies  
Universiti Putra Malaysia**

**June 2000**



**Dedicated to my late father Ahmad bin Ibrahim,  
who had always reminded me about the importance of  
seeking knowledge. To my mother Che Ah binti  
Ahmad, my wife Halimah binti Dahaman and my  
children Nur 'Izzah, Muhammad Ilyas, Nur 'Adilah,  
Muhammad 'Adli, Nur Amirah and Muhammad 'Imran,  
whom always encourages me to complete my dissertation.**



Abstract of thesis presented to the senate of Universiti Putra Malaysia in fulfilment of the requirements for the degree of Doctor of Philosophy.

**THE INTRODUCTION OF LEARNING ORGANIZATION  
IN SELECTED MALAYSIAN ORGANIZATIONS:  
A COMPARATIVE CASE STUDY**

BY

**ABD RAHMAN BIN AHMAD**

**June 2000**

**Chairman : Associate Professor Azahari bin Ismail, Ph. D.**

**Faculty : Educational Studies**

Little concern has been given to discover the deeper meanings and intricacies of learning organization, although this term has been widespread and has gained attention in a number of Malaysian organizations. The main concern of this study was to generate insight to the understanding of the perspectives of learning organization, its implementations and challenges in selected Malaysian organizations. Specifically, the objectives of the study were: (1) to gain insight and understanding of the concepts of learning organization in selected organizations; (2) to understand how the selected organizations take steps to implement learning organization; and (3) to understand the challenges faced by the selected organizations in the implementation of learning organization.

Multiple qualitative case study approach was used to answer the research objectives. Data were collected through interviews, observations and analysis of formal documents from the selected organizations. The findings of this study were obtained from both



within-case analysis and cross-case analysis. For within-case analysis, the description of three organizations selected was described individually. Whereas, for the cross-case analysis the description compared the findings from each of the three organizations selected. Several methods were used to check the validity and reliability of this study. Three methods: 'triangulation', 'member check' and 'peer examination technique' were employed to check the internal validity. External validity was checked by using multi-site approach. To increase reliability, this study used the triangulation process, graduate committee review and audit trail.

This study found that although the understanding and implementation of learning organization was at the beginning stage in each of the organizations, the result showed some evolving ideas occurred throughout the three organizations. All the three organizations showed the understanding of the concepts of learning organization, its implementation and challenges were based on their own identity. Organization A, being a technical service and development organization, seemed to be more Western-oriented approach. Organization B, which was involved in agriculture and food research and development, was more concerned with experimental activities that related to the Japanese approach. Organization C was a Malay-dominated organization inculcated with Islamic values assimilated both Western and Japanese approaches into the local approach, labeled as the Islamic approach.

As a conclusion, the study clarified the understanding of the concepts, its implementation and challenges of learning organization in the selected organizations.

The study also identified some guidelines for coping with challenges in implementing learning organization within the three selected organizations. The study recommended that the three organizations should continue their efforts in developing their organizations towards becoming full-pledge learning organizations.



Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk Ijazah Doktor Falsafah.

**Pengenalan kepada Organisasi Pembelajaran dalam Organisasi Terpilih di Malaysia: Satu Kajian Perbandingan**

Oleh

**ABD RAHMAN BIN AHMAD**

**Jun 2000**

**Pengerusi : Profesor Madya Azahari bin Ismail, Ph.D.**

**Fakulti : Pengajian Pendidikan.**

Tidak banyak usaha telah dilakukan untuk mengetahui dengan lebih mendalam tentang makna dan selok belok perkataan Organisasi Pembelajaran walaupun ianya telah tersebar luas dan telah menjadi salah satu subjek menarik di dalam organisasi di Malaysia. Oleh itu, kajian ini telah memberi tumpuan kepada usaha untuk menjana pemahaman mengenai konsep, pelaksanaan dan cabaran Organisasi Pembelajaran di dalam organisasi-organisasi terpilih di Malaysia. Secara khususnya kajian ini bertujuan untuk: (1) meneroka dan memahami mengenai konsep Organisasi Pembelajaran di dalam organisasi-organisasi terpilih; (2) memahami bagaimana organisasi-organisasi terpilih mengambil langkah dalam melaksanakan Organisasi Pembelajaran; (3) memahami cabaran-cabaran yang dihadapi oleh organisasi-organisasi terpilih dalam melaksanakan Organisasi Pembelajaran.

Kajian ini menggunakan pendekatan pelbagaian dalam kajian kes kualitatif bagi menjawab soalan-soalan yang dikemukakan dalam objektif kajian. Penemuan bagi



kajian ini telah diperolehi dari dua cara iaitu analisis kes dalaman dan analisis kes bersilang. Analisis kes dalaman menghuraikan penemuan dari ketiga-tiga organisasi terpilih secara satu-persatu. Manakala analisis kes bersilang menghuraikan penemuan secara menyeluruh perbandingan ketiga-tiga organisasi terpilih. Beberapa keadah kajian telah digunakan bagi memastikan keesahan dan kebolehpercayaan kajian ini. Tiga kaedah iaitu 'triangulation', 'member check' dan 'peer examination technique' digunakan untuk menentukan keesahan dalaman. Bagi keesahan luaran ianya menggunakan kaedah pendekatan 'multi-site'. Untuk meningkatkan kebolehpercayaan, kajian ini menggunakan proses 'triangulation', 'graduate committee review' dan 'audit trail'.

Kajian ini, telah mendapati wujudnya gambaran tentang idea-idea yang berlegar bagi menerangkan konsep-konsep, proses dan amalan-amalan Organisasi Pembelajaran di dalam organisasi-organisasi terpilih walaupun pemahaman dan perlaksanaannya masih di peringkat awal. Ketiga-tiga organisasi terpilih ini telah menunjukkan kefahaman mengenai konsep-konsep, kaedah perlasanaan dan cabaran-cabaram berdasarkan identiti tersendiri organisasi tersebut. Organisasi A, yang terlibat di dalam perkhidmatan dan pembangunan teknikal, dilihat lebih kepada orientasi Barat dan cenderung kepada pendekatan yang dikemukakan oleh tokoh Amerika iaitu Peter Senge. Bagi organisasi B, yang terlibat di dalam penyelidikan dan pembangunan pertanian dan makanan, lebih menjurus kepada penyelidikan merasa selesa dengan pendekatan yang dikemukakan oleh seorang tokoh Jepun iaitu Nonaka. Organisasi C pula bolehlah dianggap sebagai organisasi Melayu yang dipenuhi dengan budaya Melayu bercirikan Islam.





Pendekatannya lebih cenderung ke arah mengassimilasikan kedua-dua pendekatan di atas ke dalam pendekatan tempatan yang mereka gelarkan sebagai pendekatan Islam.

Pada keseluruhannya, kajian ini menjelaskan tentang kefahaman dan pelaksanaan Organisasi Pembelajaran di dalam organisasi-organisasi terpilih tersebut. Kajian ini juga telah dapat mengemukakan beberapa garispaduan bagi menghadapi cabaran atau halangan di dalam melaksanakan Organisasi Pembelajaran. Sebagai kerangka asas untuk pembaikan, adalah disyorkan kepada ketiga-tiga organisasi terpilih tersebut untuk meneruskan segala dayusaha yang telah dibina bagi membangunkan organisasi mereka untuk menjadi Organisasi Pembelajaran. Juga disyorkan agar kajian ini diulangi lagi dengan menggunakan pendekatan kajian mendalam ke atas setiap organisasi tersebut, supaya ianya dapat menjadi model dalam konteks organisasi-organisasi di Malaysia.



## ACKNOWLEDGEMENTS

First and foremost, I am thankful to Allah S.W.T. for giving me the opportunity, guidance, courage and patience to pursue this doctoral program. I wish to take this opportunity to record and express my sincere gratitude and appreciation to the following individuals whose assistance and encouragement were of immeasurable value towards the success of my educational pursuit, particularly, the present research.

1. Assoc. Prof. Dr. Azahari bin Ismail, Chairman of my Doctoral Supervisory Committee, who has offered his tremendous professional expertise, time and encouragement to make my doctoral program and this research a reality;
2. Assoc. Prof. Dr. Haji Saidin bin Teh and Dr. Shamsuddin bin Ahmad, the members of my Doctoral Supervisory Committee, for their invaluable advice and comments, caring attitude and intellectual stimulation throughout my doctoral research;
3. All faculty members and staff of the Center for Graduate Studies, the Department of Professional Development and Continuing Education, Faculty of Educational Studies, Universiti Putra Malaysia for their tremendous encouragement and warm relationship throughout my doctoral studies;
4. Che Ah binti Ahmad, my beloved mother for her prayers, patience and encouragement during my doctoral studies;
5. My family, especially my wife, Halimah binti Dahaman, my eldest daughter Nur 'Izzah and all my children Muhammad 'Ilya, Nur 'Adilah, Muhammad



'Adli, Nur 'Amirah and Muhammad 'Imran for their acts of continuous support and stimulation throughout the tenure of my doctoral studies, and

6. Ms. Hafizah binti Ahmad, Ms. Safriah Mohd. Azhar, Wan Fauziah Mohd. Yusof, Junainah Abdul Manan, Madam Tan Bee Hoon and all the others that without whose assistance, sympathy and generous attitudes, the typing of this report and all other documents would not have been possible.

Special recognition and thanks go to the Chief Executive Officers and the staff of the three selected organizations that participated in the study for their generous input and support. All accolades and credits are dedicated to all my teachers, friends and colleagues.



I certify that an Examination Committee met on 10 May 2000 to conduct the final examination of Abd Rahman bin Ahmad on his Doctor of Philosophy thesis entitled " The Introduction of Learning Organization in Selected Malaysian Organizations: A Comparative Case Study" in accordance with Universiti Pertanian Malaysia (Higher Degree) Act 1980 and Universiti Pertanian Malaysia (Higher Degree) Regulations 1981. The committee recommends that the candidate be awarded the relevant degree. Members of the Examination Committee are as follows:

Raja Ahmad Tajudin Shah bin Raja Abdul Rashid, Ed.D.  
Department of Professional Development and Continuing Education,  
Faculty of Educational Studies  
Universiti Putra Malaysia  
(Chairman)

Azahari bin Ismail, Ph.D.  
Associate Professor,  
Department of Professional Development and Continuing Education  
Faculty of Educational Studies  
Universiti Putra Malaysia  
(Member)

Saidin bin Teh, Ph.D.  
Associate Professor,  
Department of Professional Development and Continuing Education  
Faculty of Educational Studies  
Universiti Putra Malaysia  
(Member)

Shamsudin bin Ahmad, Ed.D.  
Department of Professional Development and Continuing Education  
Faculty of Educational Studies  
Universiti Putra Malaysia  
(Member)


Sharan B. Merriam, Ed.D.  
Professor,  
Department of Adult Education  
The University of Georgia  
(External Examiner)

  
\_\_\_\_\_  
MOHD. GHAZALI MOHAYIDIN, Ph.D,  
Professor/Deputy Dean of Graduate School,  
Unibversiti Putra Malaysia

Date: **09 JUN 2000**



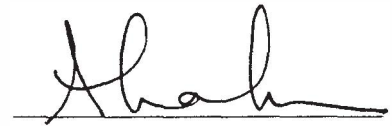
This thesis submitted to the Senate of Universiti Putra Malaysia and was accepted as fulfilment of the requirements for the degree of Doctor of Philosophy.

  
KAMIS AWANG, Ph.D,  
Associate Professor  
Dean of Graduate School,  
Universiti Putra Malaysia

Date: **13 JUL 2000**

## DECLARATION

I hereby declare that the thesis is based on my original work except for quotations and citations which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at UPM or other institutions.



ABD RAHMAN BIN AHMAD

Date: 8/6/2000

## TABLE OF CONTENTS

	Page
DEDICATION .....	ii
ABSTRACT .....	iii
ABSTRAK .....	vi
ACKNOWLEDGEMENTS .....	ix
APPROVAL SHEETS .....	xi
DECLARATION FORM .....	xiii
TABLE OF CONTENTS .....	xiv
LIST OF TABLE .....	xvii
LIST OF FIGURES .....	xviii
 <b>CHAPTER</b>	
I INTRODUCTION .....	1
Background .....	1
Malaysia: The way Forward .....	6
Statement of the Problem .....	13
Objective of the Study .....	14
Significant of the Study .....	14
Scope of the Study .....	15
Assumptions and Limitations .....	16
Definitions of Terms .....	17
II LITERATURE REVIEW .....	19
Introduction .....	19
The Perspectives of Learning in Organization .....	20
Concepts of Learning .....	21
Theories of Learning .....	28
Models of Learning in Organization .....	33
Learning Behavior Model .....	33
Experiential Learning Model .....	36
The Wheel of Learning Model .....	37
Historical Background of Learning in Organization .....	41
The Importance of Learning in Organization ..	44
The Developmental Framework of Learning Organization .....	48
Overview of Learning Organization .....	48
Understanding of learning Organization .....	56
Definitions of Learning Organization ...	58
Concepts of Learning Organization ....	64
Characteristics of Learning Organization .....	70
The Implementations of Learning	



	Organization .....	78
	Building of Learning Organization .....	78
	Management Practices of Learning Organization .....	86
	Environmental Impact of Learning Organization .....	91
	Challenges in Implementations of Learning Organization .....	95
	Summary .....	97
III	METHODOLOGY .....	100
	Introduction .....	100
	Design of the Study .....	101
	Case Selection .....	107
	Initial Insight of the Case Selection .....	108
	Preliminary Interview .....	108
	Getting the Case Sample .....	108
	Identifying the Case Sample .....	109
	Data Collection and Instrumentation .....	111
	Conducting Interview .....	112
	Observation .....	114
	Document .....	115
	Data Analysis and Reporting .....	116
	The Validity and Reliability .....	120
	Summary .....	123
IV	FINDINGS .....	125
	Introduction .....	125
	Within-Case Analysis .....	126
	Organization A .....	126
	Background .....	126
	Organization Mission .....	128
	Organization Vision .....	129
	Management Philosophy .....	129
	Corporate Culture .....	130
	Human Resources Management .....	131
	Information Network .....	133
	Environmental Perceptions .....	133
	Understanding of learning organization .....	134
	Learning Organization is an Organization That Always Provides Learning, Training And Retraining .....	135
	Learning Organization is an Organizational "Set-Up" that is Concerned with the Environment .....	136
	Learning Organization is related Effective	





Information and Communication	
Network .....	138
Learning Organization is an Organization That Makes Reading, Meeting and Discussion As Its Culture .....	138
Steps for implementing learning organization .....	139
Provides Training to the Employees as Well The Top Management .....	139
Encouraging Learning Process Within the Organization by Providing Effective Information Network .....	141
Giving Rewards and Incentives to the Employees .....	143
Promoting Teamwork in Learning Process .....	144
Formulating Western Approaches into The Organization .....	145
Challenges in implementing learning organization .....	146
Make people Believe in the New Concept .....	146
The Diversified Culture in Organization .....	147
Rewards System and Approach Used by the Top Management .....	148
Transition Process From a Government Organization to a Corporate Body .....	148
Organization B .....	149
Background .....	149
Organization Mission .....	151
Organization Vision .....	152
Corporate Culture .....	153
Management Philosophy .....	154
Management Practice .....	156
Human Resource Management .....	156
Organization Innovation .....	158
Information Network .....	158
Environmental Perceptions .....	160
Understanding of learning organization .....	161
Learning Organization is an Organization That is Acquiring, Mastering, Supplying and Empowering Knowledge .....	161
Learning Organization is an Organization That Provides Self Learning and Self Organizing Individuals .....	162
Learning Organization is an Organization That Produces More Competitive Research and Innovation in the Organization .....	163
Learning Organization is a Process of Learning In an Organization That Involves All Employees	



From Every Level .....	164
Steps Taken in Implementing learning organization .....	165
Emphasizing on Project Management Method .....	165
Encouraging More Competitive Research and Scientific Discoveries Among Scientists .....	167
Providing Comfortable Work Setting That Enhance Employee Performance .....	168
Implementing and Encouraging the Educational Culture Project .....	170
Challenges in implementing learning organization .....	171
To integrate Two Major Groups in the Organization That Have Dual Functions .....	171
To Change People to Create Positive Attitude Toward Changes .....	172
To Reinforced Learning Habit as a Culture in Organization .....	173
Organization C .....	175
Background .....	175
Organization Mission .....	177
Organization Vision .....	177
Management Philosophy .....	178
Management Practices .....	180
Corporate Culture .....	181
Human Resources Management .....	183
Organization Innovation .....	184
Information Networks .....	185
Environmental Perceptions .....	186
Understanding of learning organization .....	186
Learning Organization is an Organization that Integrates Internal and External Process of Learning .....	187
Learning Organization is Where Learning is a Continuous Process in an Organization .....	188
Learning Organization is Where Sharing of Knowledge and Experiences Occurs Among Employees .....	189
Steps Taken in Implementing Learning Organization ...	190
Practicing an Open Concept in Giving Opportunity to All Employees .....	190
Engaging in Project 2000 .....	191
Getting Consultation Services .....	193
Highlighting the Importance of Learning Organization in the Orientation Session .....	194
Challenges in implementing learning organization	195
The Acceptance of the Whole Employees About	



	Applying Learning Organization .....	195
	Unite Employees Together to Make Learning Organization Possible .....	195
	Cross-Case Analysis .....	196
	Understanding of learning organization .....	196
	The Nature of Learning .....	197
	The Pervasiveness of Learning .....	199
	Steps Taken in Implementing learning organization .....	201
	Dissemination of Information .....	202
	Focus on Employee Empowerment .....	204
	Challenges in implementing learning organization .....	207
	Human Attitude .....	207
	Management of Organization .....	209
	Adaptation to Changing Environment .....	211
	Summary .....	213
V	SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS .....	217
	Summary .....	217
	Conclusions .....	219
	The Understanding of the Concept Learning Organization .....	219
	The Steps Taken in Implementing Learning Organization .....	222
	The Challenges in Implementing Learning Organization .....	225
	Recommendations .....	226
	Recommendation for Practice .....	226
	Recommendation for Further research .....	228
	BIBLIOGRAPHY .....	229
	APPENDIX	
	A INTERVIEW GUIDE .....	243
	B LIST OF CATEGORIES .....	245
	C AUDIT TRAIL .....	249
VITA	.....	252



## LIST OF TABLES

TABLE	Page
1. Summary of Data Collection and Instrumentation .....	116



## LIST OF FIGURES

FIGURE	Page
1. Summary of Four Schools of Learning Theories .....	32
2. Learning Behavior Model: Model II Theory-In-Use .....	35
3. Experiential Learning Model: Kolb's Learning Cycle .....	37
4. Model of Individual Learning Wheel .....	39
5. Model of Team Learning wheel .....	40
6. The Learning Organization: A Journey, Not A Destination .....	51
7. Evolution of management Thinking .....	53
8. New Paradigm Organization .....	54
9. A Snapshot of Organizational Evolution .....	55
10. Comparisons of the Three Models of Knowledge Creating Company .....	89



## **CHAPTER 1**

### **INTRODUCTION**

#### **Background**

In moving towards the 21<sup>st</sup> century, the world is now experiencing an era which could be described as the era of globalization. It is an era which marks a stage where nations and people of the world become inevitably interdependent and in need of each other. As asserted by Lodge (1995), "Globalization is the process whereby the world's people are becoming increasingly interconnected in all facets of their lives -- cultural, economic, political, technological and environmental" (p.1). The same phenomenon is also noted by Chandra Muzaffar (1997), who stresses that, "globalization is not only a simple process through which capital, goods and tastes are constantly flowing from certain centers to the rest of the world, but a reverse flow also dominates" (p. ii). He also suggested that the process often accompanied or brought along fore issues such as the rule of law, public accountability, human rights and human values, and the other canons of good governance among the countries which will reshape the local political institution, social relationships and cultural patterns into a single global system or a global unity. The fact is that the process has, in a way, brought a new perspective to the world's people and nations.

Meanwhile, the notions expressed through the use of the terms such as "World Society" (Bornschiefer and Lengyel, 1989), "Borderless World" (Ohmae 1990) and "Global Village" (Tofler, 1993) also reflected the overall dimensions of the concept of the world as a globalized world. Since the notions imply the world-view of the global situation, the understanding of a world society as a particular form of communalism not held together by any state in its broadest connotation may then be conceptualized as the most comprehensive pattern of human co-existence (Bornschiefer and Lengyel, 1989). However, to Ohmae (1990) a borderless world reflects today's world economic trends in a global perspective that has no restriction or blockade in order to serve the needs or the demands of consumers. Whereas Tofler (1993) views the world as interconnected with the flow of information that causes dramatic changes not just to international business but also to global prosperity and peace. In addition, Marquardt (1996) also has expressed that globalization has produced an immense impact on the economic environment and that many organizations consequently have to realign their management strategies and efforts towards upgrading their employees knowledge and skills in order to exist viably.

In this regard, there seem to be a widespread phenomenon with respect to the process of globalization. The process has not only created new systems in both technological and human existence with the impact of trade in goods and services, the movement of labors, capital flow and spread of information but also has created the global competitive war which spurred new thinking and opened to the wide approaches

and strategies. Apart from that, the process also demands a great deal of knowledge, experience and distinctive elements of creativity to understand the existing competitors, customers and technology undergoing constant changes in the future. As a consequence, the global competition and the demands of customers, citizens and the environment require a lot of learning and changing from time to time or even from moment to moment.

In the meantime, in order to understand what sort of dynamic responses are demanded for the challenges of the globalization, it is necessary for every nation, state or even company to think globally and act locally. Moreover, there is no substitute for knowing what the companies or firms are trying to achieve before they set out to achieve the future. In line with this, Odenwald (1996) cautions the companies or firms that are moving into a global market as:

The transformation of companies from domestic to global organizations leads to struggle with ever-changing terminology, technologies, and resources. The new organizations require different approaches to leadership, culture, and teamwork. New processes must also be designed for developing products and getting them to market, to the customer, and back again for reengineering and redesign before sending the next versions off the assembly line to repeat the process. The speed with which new processes are actuated also produces new measure of success. No longer are companies ridiculed for a product that fails. They are applauded for their innovation and quick response to need and trends, and their competitive ratio moves up the scale as they take their new knowledge back to the drawing board for their next entry into the market place (p.17).

Furthermore, he stated that the new challenges that demanded companies or corporations to run business as global organizations required not only just change but



also transformation. Therefore, they must have visionary leaders, innovative strategies, synthesis of cultures, integration of teams, on going flexibility and never-ending transformation.

In view of the above scenario, it can be concluded that for any organization that desires or aspires to succeed or achieve success, it has to resort to redefining the role and function with respect to learning, unlearning and relearning. This is an urgent agenda as indicated by Ulrich, Jick and Glonow (1993) who stress that the ability of individuals and organizations to learn becomes a primary means for winning. To Howard (1990),

the premier organizations of the 21<sup>st</sup> century will be those whose employees consistently learn from their environment, readily discard old - yet comfortable - ways of doing business, and create new effective strategies that encompass their learning (p.12).

Whereas to Adler and Cole (1993), "a consensus is emerging that the hallmark of tomorrow's most effective organizations will be their capacity to learn" (p.1). Perhaps this is best related to what has been suggested by Bennett and O'Brien (1994), "to survive and prosper on the 'whitewater' ride into the 21<sup>st</sup> Century, organizations must adopt a new way of managing that is based on the capacity to learn and change consciously, continuously and quickly" (p.4). In addition, Bohn (1994) states that "as we move from the Industrial age into the Information age, knowledge is becoming an ever more central force behind the competitive success of firms and even nations" (p.1).