

**LEARNING ORGANIZATION PRACTICES:  
A CASE OF SAMSUNG SDMA (M) SDN. BHD.**

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## ABSTRACT

This research attempts to measure and examine the degree to which Samsung SDMA (M) Sdn. Bhd. is transforming itself into a learning organization. The specific objectives were to identify the degree of the seven dimensions i.e. create continuous learning, promote dialogue and inquiry, team learning, embedded systems, empowering, system connection and leadership, exists in the company as well as to find out the perceive changes in productivity performance and knowledge management. Besides that this study is also to find whether there is relationship between the seven dimensions with productivity performance and knowledge management. This study uses questionnaire survey called Dimension of the Learning Organization Questionnaire (DLOQ) developed by Watkins and Marsick (1993). A total of 206 questionnaires were sent and 81 were returned and analysed. Factor score, correlation and Stepwise Multiple regression were used to test the respective hypotheses. The findings of the study showed that Samsung SDMA (M) Sdn. Bhd. is in a moderate stage of becoming a learning organization. The results of the hypotheses show that there are positive and significant relationships between Dimension 3 Team Learning, Dimension 5 Empowering and Dimension 7 Leadership with productivity performance. On the other hand, there are positive and significant relationships between all dimensions with knowledge management. The seven dimensions were also tested for predictability of productivity performance and knowledge management. Dimension 3 Leadership was the strongest predictor of productivity performance based on Beta values in stepwise multiple regression output, whereas, Dimension 7 Leadership was the strongest predictor of knowledge performance. However, the other variables tested were not found to be significant as a determinant of productivity performance and knowledge management.

## TABLE OF CONTENTS

<b>Acknowledgement</b>	i
<b>Abstract</b>	ii
<b>List of Tables</b>	iii
<b>List of Figures</b>	iv
<b>Table of Contents</b>	v
<b>Chapter one: INTRODUCTION</b>	
1.1 Introduction	1
1.2 Motives of Learning Organization	2
1.3 Central Problem for Research	4
1.4 Objective of the Study	4
1.5 The Significance of the Study	5
1.6 Case Study: Samsung SDMA (M) Sdn. Bhd.	6
1.7 Organization of the Study	7
<b>Chapter Two: LITERATURE REVIEW</b>	9
<b>Chapter Three: RESEARCH METHODOLOGY</b>	
3.1 Introduction	27
3.2 The Theoretical Framework of Learning Organization	27
3.3 The Research Context	29
3.4 The Research Questions	29
3.5 Hypotheses to be Tested	30
3.6 The Sampling Design	32
3.7 Data Collection Method	33

## *Chapter one*

# INTRODUCTION

### **1.1 Introduction**

Nowadays, every organization is offered a rich competitive experience, but few organizations profit from it; those that do are learning organizations (McGill and Slocum, 1993). Companies are finding that the challenges of change can only be met if people are able to recapture their ability to learn, and keep learning on a continual basis (Karash, 1996). To survive in workplace and to help ensure our company's success, we must question ourselves, gain different perspectives, and not be afraid to adopt new values and beliefs. We must reflect on our experiences. Therefore, learning organizations process both the experience and the way the organization experiences it. The key ingredient lies in how organizations process their managerial experiences. *Learning organizations learn from their experiences rather than being bound by their past experiences* (McGill and Slocum, 1992).

Learning organizations are “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” (Senge, 1990, p.3). He further asserts that learning organizations are places where people develop and produce outcomes, models of thinking are encouraged, collective ambitions are released, and people are continually learning how to learn by collaboration through teamwork. These organizations are possible because we are all life-long learners.

In learning organizations, the primary responsibility of management and the focus of management practices are to create and foster a climate that promotes learning. Management's task is not to control or be a corporate cheerleader or crisis handler; it is to encourage experimentation, create a climate for open communication, promote constructive dialogue, and facilitate the processing of experience. When management