

THE ROLE OF HUMAN CAPITAL, LEADERSHIP AND  
ORGANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE:  
EXAMINING THE EFFECTS OF LEARNING ORGANIZATION  
IN MALAYSIAN LOGISTICS COMPANIES



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Puan

**KELULUSAN PROJEK DI BAWAH GERAN PENYELIDIKAN LOGISTIK DAN  
RANTAIAN BEKALAN, MAJLIS LOGISTIK MALAYSIA (MLC)**

Tajuk Projek : **The Role of Effective Leadership and Intellectual  
Capital on Learning Organization and Its Effects on the  
Performance of Malaysian Logistics Industries – A  
Case of KTMB**

Jumlah Peruntukan : RM 75,100.00

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Dengan hormatnya perkara di atas adalah dirujuk.

Sukacita dimaklumkan pihak MITRANS telah meluluskan cadangan penyelidikan puan dan membiayai projek penyelidikan di bawah dana pengurusan MITRANS/RMI.

Bagi pihak Universiti kami mengucapkan tahniah kepada puan kerana kejayaan ini dan seterusnya diharapkan berjaya menyiapkan projek ini dengan cemerlang.

Sehubungan dengan itu, pihak puan adalah diminta untuk melengkapkan kertas cadangan penyelidikan dalam format borang Dana Kecemerlangan yang boleh didapati di dalam laman web RMI. Sila pilih **Kategori A** (Institutional Research). Ini adalah perlu bagi tujuan mengemaskini sebelum penyelidik dibenarkan untuk menggunakan peruntukan penyelidikan. Sila lihat lampiran bagi tatacara tambahan untuk pengurusan projek.

Sekian, harap maklum.

**“SELAMAT MENJALANKAN PENYELIDIKAN DENGAN JAYANYA”**

Yang benar



**MUSTAFAR KAMAL HAMZAH**  
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## 5.2 Enhanced Executive Summary

Current global market competition, world political environment and the advent of rapid change in technology have created rivals among organizations regardless of industry. Challenges are among a common phenomenon faced by most industries and business sectors in the world. This is without exception in Malaysia particularly in logistics industries. Due to this organizations' leaders and managers need to consider and identify the valuable competitive factors that confer them competitive advantages and enable them to achieve superior performance. This study therefore aims at examining the role of human capital, leadership and organization contextual factors on the performance of Malaysian logistics companies.

The complexity of business environment requires organization to hire people with capable human capital, strong leadership, acceptable organizational contextual factors and learning organization. Most scholars are in agreement that organizational environment factors and resources such as human capital, leadership and organizational contextual factors (such as organizational culture) tend to influence positive organizational outcomes such as organizational performance. Further in order to achieve organizational performance, despite considering the resources organizations need to identify other important element that could strengthen the organizational resources to gain competitive advantage and achieve organizational performance. This study suggests learning organization as the buffer that helps organization resources (in terms of human capital, culture and leadership) to achieve organizational performance.

## 5.3 Introduction

### 5.3.1 Research Context

Internal and external forces have continually reshaping the world's business environment which ultimately influence organizational performance. Lu (2002) suggested that in today's competitive environment, companies and industries need to understand the key factors that influence their survival in business which ultimately help to contribute overall organizational performance. This implies that companies must be able to generate substantial profit by operating at the lowest possible cost. According to Lu (2002) a study conducted in logistics companies indicate that majority of the respondents agreed that logistics management strategy and approaches were among the key factors for companies' performance. These strategies highlight some important aspects that would induce organizational performance. Among the strategies as documented in literature that help in influencing organizational performance are like time based, asset productivity, technology based and relationship based strategies. Meanwhile Lu (2002)) emphasized quality as important factor for the success of companies regardless of sectors.

Several different factors are also been linked to organizational performance as documented in literature. This includes both tangible and intangible factors as well as internal and external organizational factors. Besides the above perspectives voluminous of literature have suggested different factors that contribute to organizational performance including in logistics related companies. Lee and Yu (2004) for example have contended that corporate culture is very relevant to