UNIVERSITI TEKNOLOGI MARA

THE RELATIONSHIP BETWEEN LEARNING ORGANIZATION AND READINESS FOR CHANGE: A CASE STUDY AMONG FEDERAL AGENCIES IN SARAWAK, MALAYSIA

NICHOLAS BALAWING ANAK IBAS

Thesis submitted in fulfillment of the requirements for the degree of **Masters of Science**

Faculty of Administrative Science and Policy Studies

August 2015

ABSTRACT

The purpose of this study is to determine the relationship between learning organization with civil servants readiness for change among federal agencies in Sarawak and the effect of age in moderating the relationship of learning organizations dimensions and readiness for change. Pearson correlation, multiple regression analysis, moderated hierarchical regression and one-way ANOVA were used for hypotheses testing while mean and standard deviation utilized to evaluate perceived level of learning organization and readiness for change. The sample consisted of various federal agencies in Sarawak and 414 employees. Random sampling technique was employed. The study questionnaires consist of four sections. Section one elicits demographic background information, section two assesses the learning organization, section three assessed employees readiness for change and section four consist openended questions. Two types of hypotheses were tested, null hypothesis and alternate hypothesis. These hypotheses tested variables relationship and influence. The results show that learning organization and readiness for change level as high. In addition, age found to significantly moderate the relationship and learning organization dimensions significantly influence readiness for change in civil servants.

ACKNOWLEDGEMENTS

The task to complete this thesis is something that is very difficult. It requires patience, determination, perseverance and commitment. Therefore, there are some individuals who deserve recognition for their Involvement in this thesis.

First of all, I would like to thank my supervisor Dr. Kuldip Singh, for his guidance and advice. I have learned a lot from him.

Secondly, I want to give credit to all federal agencies involved in this study.

I would also like to dedicate this thesis to my beloved wife, Lucy Anak Dana and my childrens namely Virgillianno Nglai, Giovanni Ginda and Vernnardrick Bantin.

Finally, I would like to thank the Universiti Teknologi MARA (UiTM) for giving me the opportunity to pursue a Master's Degree in the institution.

TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	X
LIST OF FIGURES	xii
LIST OF ABBREVIATIONS	xiii
CHAPTER ONE: INTRODUCTION	
1.1 Introduction	1
1.2 Problem Statement	3
1.3 Research Questions	4
1.4 Research Objectives	4
1.5 Significance of the Study	4
1.6 Scope and Limitations of the Study	.5
1.7 Definition of Terms, Terminology and Concept	6
1.8 Summary	7
CHAPTER TWO: LITERATURE REVIEW	
2.1 Introduction	8
2.2 Learning Organization	8
2.3 Public Sectors as Learning Organization	9
2.4 Process of Learning Organization	10
2.5 Types of Learning Organization	11
2.6 Methods of Learning in the Public Sectors	13
2.7 Learning Organization Model	14
2.8 Informal and Incidental Learning Theory	15
2.9 Learning Organization Levels	16
2.10 The Relationship between Learning at the Individual Level,	17
Team Level And Organizational Level	

2.11 Organizational Change	18
2.12 Readiness for Change	18
2.13 Factors Affect Organizational Readiness for Change	20
2.14 Individual Readiness for Change	21
2.15 Dunham (1989) Model	21
2.16 "3-Step (Phase) Model of Change"	22
2.17 Perceived level of Learning Organization and Readiness for Change	23
2.18 Relationship between Learning Organization and Readiness for Change	24
2.19 Learning Organization Dimensions Influence on Readiness for Change	26
2.20 Moderating Effect of Age on Learning Organization and Readiness	27
for Change Relationship	
2.21 Conceptual Framework	28
2.22 Research Hypotheses	29
2.23 Summary	30
CHAPTER THREE: RESEARCH METHODOLOGY	
3.1 Introduction	31
3.2 Research Design	31
3.3 Unit and level of analysis	31
3.4 Theoretical and Operational Definitions	31
3.5 Pilot study	34
3.6 Population and Data Collection	35
3.7 Sample Size	35
3.8 Sampling Technique	35
3.9 Data Collection Procedures	35
3.10 Instrumentations	36
3.11 Learning Organization Dimensions	37
3.12 Readiness for Change Scale	38
3.13 Data Analysis	38
3.14 Factor Analysis	38
3.15 Reverse Scored for Readiness for Change Scale	40
3.16 Normality Test	40
3.17 Linearity Test	40
3.18 Reliability Test	40