Towards an Effective Learning Organisation and the Role of Human Resources (HR) Department:
The Case of a South African Finance Organisation

Simeone Mthombeni[1], L. Niemand[2]

[1,2] Mancosa Graduate School of Business, 16 Samora Machel St, Durban Central, Durban, 4001, South Africa. Email: publications@mancosa.co.za

Abstract

This study investigates the effectiveness of measures taken by a South African finance institution towards guaranteeing that it is a learning organisation and the supportive role of Human Resources (HR) in this regard. The business environment today is volatile, uncertain, and has become more complex and ambiguous. Organisations have to make fast and appropriate decisions in order to remain current and relevant. Given the rate of change in the global business environment, organisations which are still characterised by traditional bureaucratic and hierarchical structures will find it difficult to adapt to the ever-changing business environment. This institution's environment is characterised by a high level of bureaucracy and hierarchy resulting in prolonged decision-making processes. The prevalent culture does not promote information sharing and synergies between employees and different departments. In this study, the quantitative research method was used due to the large sample and population. The probability sampling technique was used to collect data from a population of 388 stratified into different management layers. Using multiple regression analysis, the study proved that the ability to promote learning abilities is significantly influenced by HR in driving a culture of learning within the organisation. The study provided further evidence that the learning organisation concept is holistic in its approach and that HR plays a key role in laying the foundation for this concept to thrive. Finally, a recommendation is made in the study that management should review organisational structures in place to improve decision-making. HR should play a more visible role in providing guidelines for mentorship and encourage cross-functional training, knowledge sharing and transfer among departments and employees.

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1. INTRODUCTION

The organisation has embarked on a journey to review its organisational design in order to deal with convoluted departmental structures, a high number of management layers, lengthy decision cycles, and limited autonomy and silos within and across departments which prolong decision-making.

To be an agile, modern-day organisation, the Human Resources (HR) Department has to drive the process and assist the organisation to re-look at its organisational culture, practices to attract, develop and retain best skills, increase job satisfaction and employee individual contribution. A change in the way things are done in an organisation, that is its culture, is a prerequisite for an organisation to move from being a traditional organisation to a learning organisation. In this study, the learning organisation's constructs are identified and analysed using mainly Senge's framework of a learning organisation.

1.1 Background to the problem

The complex business environment today requires organisations to make fast and appropriate decisions in order to remain current and relevant. Globalisation has made change an important necessity for business survival and relevance. Given the rate of change in the global business environment, organisations which are still characterised by traditional bureaucratic and hierarchical structures will find it difficult to adapt to the ever-changing business needs.

The proposed research will assist the organisation in identifying the practices which impede the organisation's move towards becoming a learning and an agile organisation. Furthermore, the proposed research seeks to determine the effectiveness of the role that is played by HR in creating the culture and the learning environment needed to change the organisation.

Senge (2006:3) states that the learning organisation is where employees or people continually empower themselves by increasing their skills and knowledge and where the acquisition of new skills is encouraged. Senge (2006:3) further states that employees in such an organisation look at better and more efficient ways to achieve their desired objectives and learn together as a collective.

Having been at the organisation for more than ten years, it was noted by the researcher that the organisation's practices and culture are well entrenched in the bureaucratic and hierarchical structures mostly synonymous with risk-averse organisations. The bureaucracy and hierarchy slow down the decision-making process in the organisation. A submission or request has to go through many layers of approval before final authorisation is given. The hierarchical structures in place also frustrate younger employees as they feel stifled and are not given enough room to be innovative to implement what they have learned.

Most employees complain about the lack of teamwork in different divisions within the departments. Employees feel that they are not empowered to make decisions. Those who have the authority to make some operational decisions are not confident due to the culture of blame and fear in the organisation. Even though the executives stress the need for collaboration amongst employees and different departments, the legacy culture and practices are difficult to overcome.

The 2008 global crisis has highlighted the need for agile and responsive organisations. Today's volatile environment requires quick and responsive decisions and only non-bureaucratic and organisations with flattened structures will survive. The learning organisation concept provides a platform for organisations to be agile and thrive in volatile environments due to its agility and teamwork. The concept does not only concentrate on promoting the achievement of organisational goals, but looks at the organisation holistically. It helps the organisation to align employees' vision with that of the organisation, promotes teamwork and empowers employees.

Given the challenges of the organisation, information on the learning organisation constructs as explored by Senge (2006: 6) was collected and analysed. Employees at different levels of management were requested to complete a questionnaire covering statements on the learning organisation constructs and the role of the HR department in creating a learning culture.

1.2 Problem statement

The organisation's environment is characterised by a high level of bureaucracy and hierarchy resulting in prolonged decision-making processes. The prevalent culture does not promote information sharing and synergies between employees and different departments. There is no clear process in place to encourage knowledge sharing and transfer between different departments and employees. Training in the organisation is historically traditional and not necessarily based on the skills needed to achieve the organisation's strategic objectives. Employees choose training based on their perceived needs and not necessarily gaps identified during performance appraisals. There are no measures in place to ensure that training chosen by employees is aligned with the critical skills needed and the strategic objectives of the organisation.

1.3 Aim and objectives of the study

The aim of this study is to assess the effectiveness of measures taken by the organisation towards guaranteeing that it is a learning organisation and the supportive role of HR in this regard. Research objectives are defined as short statements highlighting the reason for carrying out the study and what the researcher intends to achieve (Saunders, Lewis & Thornhill, 2016:44). In line with this definition, the overall objectives of this study are as follows:

- To investigate the relevance of the organisational systems to support learning.
- To assess the ability of the organisation to share a common vision.
- To determine the effectiveness of the organisation in the promotion of teamwork and individual employee culture of learning.
- To determine the effectiveness of the role of HR department in promoting and building a learning organisation culture within the organisation.
- To determine the effectiveness and relevance of the training provided in relation to the organisation's embrace of a learning organisation concept.
- To make recommendations to management for the successful move towards a complete modern-day learning organisation.

1.4 Research questions

The following questions have been deduced from the research objectives mentioned above:

- How relevant are the organisational systems at the organisation in supporting learning?

- How effective is the organisation in sharing a common vision amongst employees?
- How effective is the organisation in promoting teamwork and individual employee culture of learning?
- How effective is the HR department in its role of promoting and entrenching a learning organisation culture within the organisation?
- How effective and relevant are the training and learning provided in relation to the organisation's embrace of a learning organisation concept?
- What recommendations can be made to management regarding steps to be taken to move the organisation to a complete learning organisation?

1.5 Significance of the study

The study will assist the organisation's executive management to determine and work on factors that impede the organisation to be an agile modern-day learning organisation. The study will also highlight the missing elements of a learning organisation to the executive management.

The study will also assist departmental heads to realise the importance of departmental collaboration in achieving the overall organisational objectives. Furthermore, departmental heads will realise the need for a shared vision and teamwork within their departments.

The role that HR department is to play in creating a learning organisation culture will be highlighted in the study. The study will assist the organisation's employees in understanding the characteristics of a learning organisation. Employees, irrespective of their levels will realise the importance of learning, working together and sharing information.

The study contributes to the body of existing knowledge on the learning organisation theory and its practical application.

2. LITERATURE REVIEW

Since the significance and value that a learning organisation brings were promoted by Senge at the beginning of 1990, this concept has been largely discussed in the literature (Rana, Ardichvili & Polesello, 2016:476). However, irrespective of these discussions, there seems to be no clear agreement amongst academics on a clear definition of the learning organisation (Santa 2015:244).

Meyer, Bushney, Katz, Knoke, Ludike, Meyer, Nel, Schenk, Smith, van Niekerk and Wolfson, (2012:92) describe learning organisations as those organisations which are at the forefront of establishing and putting into practice what they learnt from their constantly changing operational environment. Such organisations do this in light of the uncertainty, complexity and continued endeavours to maintain a competitive edge.

A learning organisation is an organisation that is capable of creating, gathering and transferring information and knowledge, re-looking and adjusting its culture to make room for new knowledge (Jashapara, 2011:163 & Mishra & Bhaskar, 2010:50). Such an organisation is not rigid but flexible in its approach and it keeps on re-inventing itself in order to stay relevant.

A learning organisation is further defined as an organisation that allows its employees to increase their skills continuously in order to achieve their objectives, where people are encouraged to be single-minded, innovative and

learn from each other (Senge, 2006:3). Senge's definition of a learning organisation and the framework developed based on this definition will be used in this study. Definitions of a learning organisation by other authors will also be considered as they are an expansion of Senge's learning organisation constructs.

2.1 Constructs of a learning organisation

Senge (2006:6-9) indicates that the following are the five cornerstones or characteristics of a learning organisation: Systems Thinking, Personal Mastery, Mental Models, Building Shared Vision and Team Learning/Mastery.

2.1.1 Personal Mastery (PM)

Senge (2006:131) defines personal mastery as the individual's lifelong endeavour to develop and learn continuously. This helps the individual to enlarge his or her vision and creativity. Personal mastery starts when individuals identify what is of high priority to them and embracing continual learning in order to be flexible in life (Senge, 2006:131). It involves taking charge of one's own destiny and development. Employees with a deep sense of personal mastery have enquiring minds, are aware of areas of development in their lives and embrace life-long learning (Senge, 2006:133). Personal mastery is the prerequisite for personal growth in a learning organisation and covers the following aspects:

2.1.1.1 Growth and learning

Learning is one of the key elements of a learning organisation which has the ability to influence the way business is done in an organisation and the way resources are used (Skuncikiene, Balvociute & Balciunas, 2009:68). Without learning the organisation will not be able to find new ways of doing business and it will not grow. Vijayabanu, Renganathan and Govindarajan, (2015:179) state that learning is not the same as mundane work and is a prerequisite for innovation.

Learning under the learning organisation is not confined to specific persons (Meyer *et al.*, 2012:92). Organisation learning involves the whole team and individual learning alone cannot be sufficient and effective for the organisation (Santa, 2015:245).

Employees who are committed to lifelong learning and growth have a clear vision that drives them daily. Such employees are very innovative in their approach and are committed to the course of the organisation (Senge, 2006:133). The learning organisation strives to create room for the personal growth and learning of its employees.

It is very cumbersome for employees to learn new things and not be given the platform to practice what they have learnt (Meyer *et al.*, 2012:93; Senge, 2006:300). This is the problem with training and learning in a traditional organisation. Organisations spend large sums of money sending employees on expensive training courses without giving them opportunities to implement what they have learned. Learning in a learning organisation is not only about reading appropriate materials and attending courses, but it is more about the practical application of what is learned (Wen, 2014:292). Senge (2006:300) further posits that organisations need to create practice fields where new skills learned will be implemented.

2.1.1.2 Empowerment

Mishra and Bhaskar (2010:52) state that empowerment is a key aspect of the learning organisation which releases the potential and drive of employees. People in learning organisations are given the leverage to make decisions that will move the company forward. Failure or mistakes in such organisations is not frowned upon but is considered as an

opportunity to learn (Jashapara, 2011:166). Empowerment can also be viewed as an attempt to force employees to observe specific ways of doing things which they don't actually agree with (Mishra & Bhuskar, 2010:53). Most employees at the organisation want self-actualisation in their work area. Employee empowerment can assist with employee fulfilment and realisation of employees' vision and potential.

2.1.1.3 Innovation and change

Learning organisations thrive on change and the ability to adapt quickly. People are encouraged to create innovative methods to enhance performance. Employees' ability to innovate is encouraged when they are totally dedicated and engaged in their work (Park, Hoon, Yoon & Kim, 2014:87). Innovation thrives in an environment where employees are totally committed and engaged in what they do (Park *et. al*., 2014:88). This results in the generation of new ideas and better ways of implementing them. Innovation at an organisational level results changes of the organisation's business approach.

2.1.1.4 People-oriented and talent focus

Learning organisations understand that people are a key element in the organisation's pursuit of strategic objectives. Unlike the traditional organisation which pursues targets at the expense of a relationship with employees, the learning organisation tries to incorporate the talents and skills of its people into its tasks (Meyer *et al.*, 2012:99). This is done in order to optimise the skills and talents of its employees. People's needs and visions are identified so that they are taken into account when deciding on organisational strategies (Meyer *et al.*, 2012:99). The application of this premise could pose a serious challenge to organisations in cases where there are employees who feel that they are not accommodated.

Whilst the emphasis is on teamwork, the learning organisation makes room for individual talent. Individual skills should be recognised for the betterment of the whole team.

Meyer *et al.* (2012:99) further state that learning organisations have talent management systems in place to ensure that talents and skills of people are recognised and fully utilised.

2.2.1 Systems thinking (ST)

Systems thinking is defined as the concept of having a 'big picture' view of the organisation and not viewing each part or process separately (Frost, 2010:3). Wang (2006:53) further argues that this concept helps employees realise the interdependence of processes or departments within the organisation and assists employees to work better. Systems thinking helps employees to be introspective and take full responsibility for their actions (Wen, 2014:292). The following are aspects of Systems Thinking:

2.2.1.1 Organisational structure

Flat structures with less hierarchy characterise learning organisations. This is to promote a greater level of interdependence as employees are required to learn from each other irrespective of their levels (Meyer *et al.*, 2012:97). Hierarchical structures slow down communication and decision-making processes. Bureaucratic structures in traditional organisations restrict the learning of individuals to responsibilities associated with their specific positions (Palos & Stancovici, 2016:2). Holistic learning is not promoted due to this silo approach.

Örtenblad (2015:166) argues that a simple, decentralised structure which is team-based empowers team members to make quick decisions on their own to keep pace with the dynamic business environment. Empowered employees are able to take ownership of their work areas, their responsibilities and personal development (Santa, 2015:251). Flat or decentralised organisational structures promote teamwork where people are able to work collaboratively and every person's input is considered irrespective of seniority (Porkhahel & Choi, 2013:130). The organisation under study is characterised by hierarchical structures resulting in many approval levels when decisions are to be made. The decision-making process is lengthy and impacts negatively on the agility of the organisation.

2.2.1.2 Organisational culture

Culture is the established way of doing business in an organisation. Culture is formed by the organisation's value system, its mission statement and daily practices (Ershaghi, 2008:36). Organisational culture plays an important role in a learning organisation. A learning organisation culture is the one that creates an environment for team learning. Chinowsky and Carrilo (2007:123) argue that establishing a learning culture is the prerequisite to enhance learning within an organisation.

The organisation's existing culture seems to be one of the major barriers with regard to a move towards a learning organisation. There is little team learning if any and information hoarding and blame are prevalent. In this organisation departments and divisions within these departments are mostly working in silos. The HR department deals with the human capital side of the organisation which is the base of the culture of the organisation and should, therefore, be in a better position to drive change in the organisational culture.

2.2.1.3 Climate for learning

The existence of a positive and encouraging atmosphere that makes learning easy is a key element in the facilitation of learning in an organisation (Örtenblad, 2015:166). Örtenblad further argues that such an atmosphere offers an opportunity to test what has been learned and gives employees room to experiment with failure.

The existing climate in this organisation does not make room for failure and as such employees are in most cases afraid to experiment with new methods or ideas. Communication is mostly top-down and employees are not free to air their views due to fears of reprisals from management. The silo mentality characterises most of the departments and this hinders teamwork and the ability to have a holistic view of the organisation.

Decision-making in the organisation is still the preserve of the heads of departments. Employees seem to be afraid to make decisions because there seems to be no room for failure in the organisation. The leadership of the organisation consists mostly of the older generation who are not too keen to experiment with new ways of doing business.

The other construct of a learning organisation according to Senge (2006:6) is a shared vision which is discussed below.

2.3.1 Shared vision (SV)

The concept of a shared vision is defined as a process whereby leaders are able to sell their future 'organisational picture' to employees and get employees to own it (Senge, 2006:9). When employees have a common purpose, they are able to be committed and resilient and this also improves their interactions (Rana *et al.* 2016:479). A shared vision galvanises organisational departments to be single-minded in pursuit of the company's overall objective.

The organisation's executive management has been putting more emphasis on the importance of having a shared vision which will promote teamwork. It is not clear whether the message is filtering down to different departments and divisions within these departments.

2.3.1.1 Shared vision and communication

Shared vision requires constant and clear communication. Meyer *et al.*, (2012:97) state that traditional organisations are characterised by top-down communication lines which restrict free and transparent communication. Meyer *et al.*, (2012:98) further state that in a learning organisation open and honest communication flows from all directions. Open communication in a learning organisation allows employees to communicate anything that will make them learn together. People who communicate things, which are not in line with the company's value system are noticed for their input and should not be victimised (Meyer *et al.*, 2012:98).

Communication in a learning organisation is not hierarchical but sideways in order to promote information sharing across the organisation (Serrat, 2009:2).

This organisation's employees, especially those who have been long in the organisation, are not free to view their opinions due to fear of victimisation.

The next construct of a learning organisation, mental models, is discussed below.

2.4.1 Mental models

Mental models refer to the individual's long-held and ingrained view of the world and work environment and how things are to be done (Sana, 2014:4; Senge, 2006:163). Frost (2010:1) indicates that long-held paradigms need to be challenged in order to make way for innovation and new ideas which characterise the learning organisation. Changing long-held paradigms could be a challenge for the older generation in an organisation. The other construct of a learning organisation is discussed below.

2.5.1 Team mastery (TM)

The team mastery concept is about building teams that will work together to advance the organisation. An organisation achieves more with teamwork than individual efforts. Team mastery sub-constructs are discussed below.

2.5.1.1 Team learning

Team learning takes place when individual efforts are aligned with producing the results the whole team desires (Senge, 2006:218). Learning in a learning organisation is a team and organisational process which forms part of a continuous process and is not limited to individual experience (Meyer *et al.*, 2012:92). Learning organisations embrace the notion of continuous learning and training. The learning organisation concept has been discovered as an approach to help organisations to develop their learning and development capacity in all facets of the organisation (Davis & Daley, 2008:53). Without an appropriate culture, team learning remains elusive. Team mastery ensures the proper transfer of skills and learning amongst employees.

Team mastery ensures the transfer of learning amongst individual team members. The team learning concept does not highlight the initial challenges of working in a team such as the conflict stage.

2.5.1.2 Learning transfer

The concept of the transfer of learning in a learning organisation involves the acquisition of skills and knowledge and the practical implementation thereof in a working environment (Kim & Callahan, 2012:187). This also refers to the learning and development of individuals through coaching and mentoring by more experienced employees such as specialists and managers (Serrat, 2009:3).

Cross-functional training is one of the platforms which enable employees to be multi-skilled and share experiences (Baddapuri, 2015:1). The organisation invests a lot of money on its employees through a bursary scheme. However, a number of employees leave the employ of the company after the acquisition of the qualifications due to the lack of opportunities to implement the new knowledge gained.

2.5.1.3 Learning at work

A learning organisation does not restrict learning to a classroom or formal courses but also creates an environment where employees will learn while working (Örtenblad, 2015:166). Learning at work also reinforces team learning as employees are able to harness the insight of the collective in solving problems and effecting skills transfer among team members during their interactions (Jashapara, 2011:127). On-the-job learning is more beneficial as employees are given opportunities to learn by doing.

Senge's learning organisation concept is centred on employees of the organisation. The role of HR department in a learning organisation is discussed below.

2.6 HR Department and the learning organisation (LO)

The concept of a learning organisation calls on HR to re-invent itself in order to be of great value to the organisation. HR is mainly responsible for the management of human assets upon which the success of the organisation rests (Vijayabanu *et al.*, 2015:181).

Zhai, Liu and Fellows, (2014:194) state that HR activities assist in making employees more skilful and knowledgeable, facilitate interaction of different groups and knowledge sharing within the company. Zhai *et al.*, (2014:194) further argue that HR which facilitates and enhances learning which can improve the organisations' performance. The facilitation of the empowerment of employees, sharing of knowledge and team learning by HR makes it a strategic partner within the organisation.

The HR department is in a unique situation to influence the culture of the organisation by developing a link between performance and the reward systems (Wang, 2006:54). This linkage creates a culture of high performance ensuring the achievement of objectives. Wang (2006:54) further states that a learning organisation requires HR to create an atmosphere and conditions that are conducive for learning and the accumulation of information. The learning organisation thrives in a culture where people learn and work together to create and sustain a knowledge sharing environment (Wang, 2006:54).

Whereas in most organisations learning and development are the responsibilities of HR department, in this organisation this is the responsibility of the company academy. HR seems to be invisible and ineffective in promoting a culture of learning which concerns knowledge sharing and transfer between departments and employees.

2.7 Leadership in a learning organisation (LO)

Leaders in a learning organisation are able to influence the organisational culture through different actions such as conveying their visions and creating learning opportunities (Chang & Lee, 2007:160). Chang and Lee (2007:160) further argue that the transformational and transactional leadership styles are suitable for a learning organisation. The transactional leader is able to influence and encourage employees through an emphasis on teamwork, employee involvement and organisational innovation (Chang & Lee, 2007:160). The transactional leader is able to positively influence organisational effectiveness (Chang & Lee, 2007:160).

The HR department is positioned to help develop leaders who empower their employees and in turn who champion and support learning by being exemplary (Davis & Daley, 2008:64). Learning becomes more effective when it is driven and guided by leaders and not training or human resources departments (Wen, 2014:295). This premise could be ineffective if it is not done in conjunction with HR personnel who are subject matter experts.

Most managers at this organisation are elderly and well-entrenched in the traditional ways of doing business. However, the organisation has embarked on a leadership development program involving almost all levels.

The benefits of the implementation of a learning organisation concept are discussed below.

2.8 Benefits of a learning organisation

Vijayabanu *et al.* (2015:189) state that the learning organisation plays a significant role in enabling a favourable and swift change in the working environment. An organisation that will not adjust quickly to such changes becomes obsolete. An ingrained learning organisation culture helps the organisation to adjust quickly. The learning organisation concept also promotes a culture of information sharing, developing and disseminating knowledge amongst all employees (Vijayabanu *et al.*, 2015:189).

The systems thinking discipline of the learning organisation enables organisations to understand their challenges on time and explore solutions (Rana *et al*., 2016:476). This concept improves employees' job satisfaction (Chang & Lee, (2007) cited in Rana *et al.* (2016:477). Adopting the learning organisation concept has proven to have a positive influence on the organisation's financial results (Rana *et al.* 2016:477).

Regardless of the benefits of the learning organisation concept, there are some misperceptions and controversies around this concept. Some of the controversies are discussed below.

2.9 Controversies around the learning organisation concept

There seem to be difficulties in the implementation of the learning organisation concept due to the fact that there are many versions of understanding (Skuncikiene *et al.*, 2009:66). The presence of many concepts can create confusion and lack of consensus with regard to the learning organisation model. The learning organisation concept is not clearly spelt out and is rigid and seems not to be practical (Lowe & Skitmore, 2007:152).

Jashapara (2011:175) argues that the learning organisation concept lacks adequate practical work to justify its credibility. There seem to be not many large organisations who have implemented this concept. This could be due to the fact some organisations implement the concept but are not free to call themselves a learning organisation (Pedler & Burgoyne, 2017:120). There are some doubts with regard to the ability of the learning organisation concept in helping the organisation to stay competitive and sustainable over a long period of time (Santa, 2015:242).

Pedler and Burgoyne (2017:120) state that some of the misconceptions about the learning organisation concept are that more emphasis is on soft or human skills and that there is less or no hierarchy at all. Jashapara (2011:177) argues that the learning organisation concept does not fully address the role played by information systems with regard to learning. Jashapara (2011:177) suggests that it would be useful if there is an incorporation of the social and technical features regarding the learning organisation concept. This supports the argument that only soft skills and not hard skills are given prominence.

3. RESEARCH DESIGN AND METHODOLOGY

In this study, the quantitative method was used because to address the research objectives and questions, an analysis of quantitative data collected was needed. Due to time constraints a self-administered designed survey questionnaire was used to collect data. The quantitative research normally uses collected data to test the available theory and the design is guided by the deductive approach (Saunders *et al.*, 2016:166). The deductive approach is followed when the researcher starts the process by using theory which flows from the literature review. This theory then gets tested by the research strategy developed by the researcher (Saunders et al, 2016:145). The deductive approach was followed in this study and data was collected and analysed using mathematical methods.

In this research, the causal relationship between the role and effectiveness of HR and the creation of a learning organisation culture was analysed. In this study, it was sought to provide an explanatory reason for whether the involvement of HR has an effect on the organisation's transition from a traditional organisation to a learning organisation.

The survey strategy is mostly used in instances where a deductive research approach is followed (Saunders *et al.*, 2016:181). The survey strategy is also used for exploratory, descriptive and causal research to collect data (Sekaran & Bougie, 2013:102). Saunders *et al.*, (2016:182) state that this strategy allows the researcher to collect quantitative data which can be analysed using descriptive and inferential statistics. The survey research design was used in this study. A questionnaire was used to collect data and data collected was analysed using descriptive and inferential statistics.

3.1 Population

A population is defined as the full set of cases or elements from which a sample is derived (Saunders *et al.*, 2016:274). In this study, the population consists of senior management, middle management and specialists within all the organisation's departments.

The population size is 388. It is uneconomic in terms of budget and time to consider the entire population. Sampling is mostly used due to the difficulty associated with the surveying of the entire population, plus time and budgetary constraints (Saunders *et al.*, 2016:274). Using a smaller sample consisting of a selection of population elements provides an easier and quicker method of collection and analysis of the required data.

The researcher used the stratified sampling technique and divided the population into a number of key subgroups. The population was divided into different management levels (de Vos, Strydom, Fouche & Delport, 2013:230). The researcher was then able to draw a random sample from each of the divided subgroups on which the study was conducted (Saunders *et al.*, 2016:290).

The job levels, roles and functions of respondents were considered when identifying a person to receive the questionnaire to obtain direct and relevant information. In this study, the following processes were followed to stratify the sample:

- Variables of interest such as senior and middle managers and specialists were considered;
- A separate list of employees was established for each subgroup;
- Each employee in a subgroup was given a number;
- A table of random numbers was used to select individual members from each subgroup.

These stratified groups made up a number of 194 employees out of the total of 388 the organisation's employees on management level. The data collection tool for the study was based on a questionnaire designed using the web-based survey software, *Google Forms*, which enabled respondents to access and respond to the questionnaire over the internet.

The questionnaire used in the study was compiled to cover the constructs of the learning organisation including the role of the HR department. The questionnaire was distributed to each of the elements within the selected sample via a web-based survey software tool (*Google forms*). The email sent to respondents consisted of a short introduction of the researcher and the reason for the study with a link to the questionnaire.

3.2 Pilot study

Saunders *et al.*, (2016:473) state that before a questionnaire can be used to collect data it should be tested for relevance, correctness and completeness. The idea is to scrutinise inputs and then make necessary changes that will improve the data collection instrument.

For the purpose of this study, the instrument was piloted to 10 colleagues at the organisation who are knowledgeable in this area. These employees, who were randomly selected, were part of the total sample of 99 employees from different departments who participated in the survey. An invite to respond to the self-administered questionnaire with a link to the questionnaire was sent electronically to each of the ten participants. Participants were given two weeks to complete the questionnaire and telephonic follow-ups were made on two questionnaires that were still outstanding after two weeks. The Cronbach Alpha reliability analysis on the pilot study was done per each learning organisation's construct. Of all the constructs tested, the systems thinking construct showed the lowest reliability value of 0.582. Manerikar and Manerikar (2015:118) state that a Cronbach alpha reading of between 0.6 and 0.7 indicates an acceptable internal consistency reading.

Major inputs that were reworked according to the views of the participants involved classifying questions according to the constructs as defined in the literary theory. Seven items with low-reliability scores were deleted from the instrument for the main study. The pilot study was limited to the pre-testing of the research instrument and no data analysis was performed.

3.3 Data analysis

For purposes of this study, descriptive statistics and inferential statistics were used. Descriptive statistics are procedures that help the researcher to define data in a mathematical way (Saunders *et al.*, 2016:527). Statistics such as the measures of central tendency which covers the calculation of the mean, median and mode were used.

3.4 Validity and reliability

Internal and construct validity was used to measure validity in this study. The researcher interrogated the type of research questions as per the learning organisation construct and used his own judgement to measure internal validity (Saunders *et al.*, 2016:450). Construct validity was measured using Pearson correlation analysis. The size of the relationship between the institution's ability to promote learning and each of the six learning organisation's constructs was measured using correlation coefficient which ranges from -1.0 to +1.0 (Sekaran & Bougie, 2013:290).

3.5 Limitations of the study

The research was conducted with consideration of the following limitations:

Learning organisation constructs: Senge's (2006:6) model of a learning organisation was used as a baseline conceptual framework in this study. However, the study was limited to personal mastery, systems thinking, shared vision and team mastery constructs. The mental models construct which is defined by attitude and behaviours was not specifically included and tested in the questionnaire. This construct is more of an employees' internal disposition which manifests outwardly in the form of, amongst other, employees' attitude towards teamwork, innovation and personal mastery. The assumption is made that such aspects are adequately covered in the other constructs tested.

Access to data: The researcher anticipated challenges with regard to accessing the data required for the study. The reluctance to provide data could come from the participants to respond promptly. This could have an impact on the adequacy of data collected for analysis. The researcher tried to control this by sending reminders to respondents.

Time: Time could be a limiting factor as the researcher has to balance between the research and work commitments. This could result in late submissions of chapters of the study. Deadlines were agreed with the supervisor for submission of different chapters of the study.

Job levels of employees: The study was limited to employees on specialist, senior and middle management levels. Employees on lower levels – the majority of who are under the age of 30 - did not form part of the study. This has the potential of limiting employees' opinion only to older employees who are mainly on management levels and excluding younger employees at lower levels of the organisation.

3.6 Elimination of bias

The researcher avoided bias by employing a probability sampling methodology during sampling. The use of a self-administered questionnaire during data gathering ensured little contact between the researcher and respondents. Mathematical methods were used during data analysis which ensured little interference by the researcher. No participants were identified by race or gender and gender-neutral words were used throughout the study.

3.7 Ethical considerations

There are numerous ethical principles that a researcher need to consider and adhere to during the data collection stage of the research, irrespective of the data collection method chosen (Saunders *et al.*, 2016:255). The following ethical principles were adhered to by the researcher during the study:

Ensuring participants have given informed consent: Adequate information such as the objective of the study was given to participants.

Ensuring no harm comes to participants: The key ethical rule of any research conducted is that it should not endanger any person who participates in it (de Vos *et al.*, 2014:115).

Ensuring confidentiality and anonymity: In cases where the researcher has indicated to the participants that their participation will remain confidential and anonymous, such promises need to be adhered to (Saunders *et al.*, 2016:255). Confidentiality and anonymity of participants were ensured by restricting access to data collected and storing it securely.

Ensuring that permission is obtained: The researcher must obtain permission from the organisation on which the research will be carried out (Saunders *et al.*, 2016:223). Written permission was obtained from management to conduct the study.

4. RESULTS

4.1 Summary of the primary findings and their relation to literature

- The organisational structures in place at the organisation do not facilitate quick decision making and communication. This is contrary to literature which indicates that learning organisations have flat structures which facilitate decision making and learning (Örtenblad, 2015:166).

- Participants expressed favourable opinions on a shared vision to promote a learning culture within the organisation. The perceived ability of the organisation to share a common vision on learning is in line within theoretical expectations, which stated that a shared vision helps the organisation to have an enthusiasm for learning (Senge, 2006:192).

- Management does not give employees opportunities to experience failure while implementing new methods. This is not in line with literature which states that a learning organisation encourages employees to take calculated risks by exploring new ideas (Garvin *et al.*, 2008:111).

- Participants were of the view that HR does not facilitate interaction and knowledge sharing amongst employees and departments and that HR does not encourage and provide guidelines for mentoring programs. This view is not in line with literature which indicated that HR activities facilitate interaction of different groups and knowledge sharing within the organisation (Zhai *et al.*, 2014:194).

- Participants were of the view that there are no visible efforts by the organisation to promote teamwork to learning. This is not in line with literature which states that collaborative learning is effective to stimulate a culture of learning within an organisation (Meyer *et al.*, 2012:98).

- Participants opined that leadership skills are not developed at all levels within the organisation. This is contrary to literature which states that learning organisation's leadership skills are developed at all levels (Serrat, 2009:3).

- Participants were of the view that cross-functional training is not encouraged within the organisation so that people learn about the whole business. This is contrary to the literature which states that cross-functional training is one of the platforms which enable employees to be multi-skilled and share experiences (Baddapuri, 2015:1).

- Participants expressed neutral opinions on issues pertaining to the support of HR to promote learning within the organisation. This neutral view is divergent to the theory which suggested that HR should be very clear and effective in supporting a culture of learning within an organisation (Zhai *et al.*, 2014:194).

5. CONCLUSIONS AND RECOMMENDATIONS

On the research question regarding the effectiveness of the organisation to share a common vision, participants were of the favourable view that management encourages shared vision, teamwork, knowledge transfer, and employee involvement.

Respondents also expressed a neutral opinion on the research question on the organisation's effectiveness in the promotion of teamwork and individual employee culture of learning. Respondents were of the view that management does not give employees opportunities to experience failure whilst implementing new methods. Furthermore, participants opined that leadership skills are not developed at all levels within the organisation.

In responding to the research question on the effectiveness of the role of HR in promoting and building a learning organisation culture, participants were of the view that HR does not facilitate knowledge sharing and transfer among employees and departments. Furthermore, participants were of the view that HR does not encourage and provide guidelines for mentoring programs within the organisation.

In answering the research question on the effectiveness and relevance of training, participants expressed an overall neutral opinion. However, they were of the opinion that the training offered is proactive and aligned to the departments' strategic objectives. Nevertheless, participants were of the view that cross-functional training is not encouraged within the departments so that people learn about the whole business of the organisation.

In line with the objective of the investigation of the relevance of organisational objectives to support learning, the findings confirm the significance of flat organisational structures as an enabler of the learning organisation culture. Findings also confirmed the importance of a shared vision within the organisation. Regarding the organisation's promotion of teamwork and individual learning culture, it was also confirmed that the employees require room for experimentation.

The study revealed the need for the development of leadership skills at all levels within the organisation. In line with the objective of determining the effectiveness of the role of HR in promoting a learning culture, the findings highlighted a significant link between HR's ability to promote learning and the learning organisation.

5.1 Recommendations

The main recommendation is that management should review the organisational structures in place and consider flattening the structures to reduce bureaucracy. This could be done through a holistic organisational review process. Flat organisational structures will improve the decision-making process and agility of the organisation.

Management should encourage a culture of innovation by creating room for failure when employees try new ideas, albeit cautiously. New ideas should be thoroughly interrogated and piloted before actual implementation.

Management should implement programs that will identify employees with leadership potential at all levels and expose them to leadership training. This will ensure a constant pipeline of leaders within the organisation guaranteeing business continuity and smooth succession. Employees should be made aware of the availability of such programs through internal newsletters.

HR should investigate the feasibility of creating training fields where knowledge sharing and transfer among employees and departments will be facilitated. This will eliminate information hoarding within the organisation.

Furthermore, HR should put in place mentoring programs. This will ensure the identification of potential talent for the organisation and passing on of skills from well-experienced and matured employees to young employees.

It is recommended that HR should also encourage cross-functional training amongst departmental heads. This will ensure there is a well-rounded and knowledgeable workforce in the organisation. This could be done through organisational newsletters.

5.2 Conclusion

The study was successful in providing evidence to the theory that the role of HR is significant in creating a learning organisation culture. HR's interaction with the whole organisation puts it in a better position to promote learning within an organisation.

From this study, the researcher identified that the area of the learning organisation's financial performance can be further researched. In a world obsessed with the bottom-line, more research needs to be conducted on the productivity and financial viability of the learning organisation concept.

The other area of the learning organisation concept that can be researched further is the role of technology in a learning organisation. The current business environment is technologically driven and organisations which are not investing enough in technology will not be competitive.

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