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An exploratory case study of a not for profit learning organisation

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AN EXPLORATORY CASE STUDY OF A NOT FOR PROFIT LEARNING ORGANISATION

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Declaration of Originality

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material that to a substantial extent has been accepted for the award of any other degree or diploma at the University of Wollongong or any other educational institution, except where due acknowledgment is made in the thesis. Any contribution made to the research by colleagues with whom I have worked at the University of Wollongong or elsewhere during my candidature is fully acknowledged.

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ABSTRACT

This exploratory case study is situated in a not-for-profit learning organisation. Learning organisations have been put forward as "an organisation that is continually expanding its capacity to create its future" (Senge 1990, p. 14). Although learning organisations have been discussed extensively in the literature, there has been little empirical evidence that unequivocally demonstrates their actual existence.

The research question for this study was: To what extent do concepts of learning organisations exist and to what extent are such concepts operationalised at the NFPO.

The aims of this study were to explore:

- If the concepts of learning organisations existed in a large not-for-profit organisation.
- How the concepts of learning organisations were operationalised in a large not-for-profit organisation.
- To provide the not-for-profit organisations with unique insights concerning its current status as a learning organisation.
- To provide the not-for-profit organisation with recommendations to assist it in continuing to build a learning organisation.

The study encompasses a modified version of Yin's (2009) Case Study Method, to guide the study. Strauss and Corbin's (1990) work in the analysis; an abductive or systematic combining approach was incorporated into the research design (Blaikie 1993) and Mc Murray et al's (2004) work on interpreting qualitative data. Case Study Method can be conducted in a variety of ways. This study uses exploratory case study design in order to obtain rich, in-depth information about the concepts being studied in order to highlight the nature of learning organisations.

The purposive sampling consists of ten of the not-for-profit organisation's senior managers and ten of the organisation's frontline staff who had been employed for at least 12 months in one of the not-for-profit's operational units located across the state of NSW, Australia. Twenty in-depth interviews were conducted over a twelve month period. The organisation's documents were also scrutinised for information which alluded to the concepts of learning organisations. Analysis was

conducted concurrently and the computer software application N-Vivo was used to manage the data.

The study was aided by the development of a conceptual framework based upon the most cited concepts of learning organisations and in particular the work of Senge (1990) and Slater and Narver (1995).

The finding showed that the participants were *au fait* with the concepts of learning organisations represented in the conceptual framework of learning organisations developed for this study. The extent, to which the concepts existed and were operationalised, was, from the participant's perspectives, and from the documentation scrutinised, less than would be expected from an organisation which purported to be a learning organisation. The major themes which emerged from this study included the concepts of a) **leadership**, b) **organisational culture** and c) **trust and trusting**. Although lesser themes concerning the other concepts were identified they were less clear or to some extent absent.

A revised conceptual framework was developed from the findings. Unlike others, this conceptual framework focuses upon the organisation's culture as being a powerful determinant of an organisation's capacity to become a learning organisation. A series of recommendations based upon the insights concerning the not-for-profit organisation are provided to assist the organisation to be a learning organisation.

Acknowledgments

Chapter One: Introduction

1.1 Introduction

Understanding what makes organisations effective has fascinated organisational leaders, academics and writers on organisations for many years. The phenomenon known as the learning organisation has been of similar interest for the last two decades. Despite a plethora of commentary on learning organisations there continues to be a gap between what is said about them and the reality.

The intent of this study was to understand the extent to which the concepts of learning organisations were seen to exist and were operationalised in a not-for-profit organisation (NFPO), through the development and testing of a learning organisation conceptual framework, via a case study approach. A conceptual framework of a learning organisation was developed by linking the concepts associated with learning organisations in the literature, to form new and as yet untested propositions and, in doing so, add new perspectives to the study of learning organisations.

This chapter provides a brief background and rationale for the case study and introduces the research question, the aims and the significance of the research. How the writer arrived at an appropriate research design is also briefly discussed and the thesis is outlined.

1.2 Background to the Study

The concept of the "learning organisation" plays a pivotal role in contemporary management theory and practice (Nakpodia 2009). There is great interest in the concept of the learning organisation and the benefits this might have to organisations that wish to manage change, competitive advantage and innovation more effectively. Senior managers and management academics extol the benefits of adopting a learning culture in organisations (Peon & Ordas 2004, Senge 1990, Skerlavaj & Dimovski 2006, Slater

& Narver 1995). The organisational learning culture construct is defined as a set of norms and values within an organisation, which support systematic, in-depth approaches aimed at achieving higher-level organisational learning (Garvin 1993, Huber 1991). The idea that an organisation could be created using a learning culture for managing change, competitive advantage and innovation was intriguing. Being a manager in a NFPO, wanting to understand the matrix of concepts concerning learning organisations became a compelling reason to study learning organisations. Further, the opportunity to make operational sense of a variety of concepts about learning organisations appealed to my professional inquisitiveness and desire to improve effectiveness in the organisation.

The NFPO in which I worked had proclaimed, in a number of forums and written documents, its desire to become a learning organisation and indicated that it had already moved along this path to some extent. Even though I had engaged in a number of conversations with senior managers at the NFPO to seek clarification, I was no closer to understanding the claim that the organisation was a learning organisation. This was because I was unable to elicit any credible evidence to support the notion that this organisation was a learning organisation. Therefore, in an attempt to seek credible evidence, to better understand the characteristics of learning organisations and how these characteristics were expressed in organisational life, I made an initial foray into the published work on learning organisations.

The literature on learning organisations is expansive. However, much of this literature is based on opinion rather than research, reflecting undisciplined commentary. Some cogent and substantial work has been conducted by a few notable authors, the most prominent being Peter Senge in his book *The Fifth Discipline. The Art & Practice of the Learning Organisation (Senge 1990)*, which describes a conceptual framework for creating learning organisations, in the form of five disciplines.

Senge's definition of the learning organisation is essentially optimistic in that he sees it as an organisation that is continually expanding its capacity to create its future. The learning organisation, as defined by Senge (1990), is not yet at the theoretical level of knowledge, as the concepts have not yet been substantially researched, and reflects

Senge's perception of what a learning organisation looks like. Senge's conceptual framework for learning organisations consists of the following concepts: personal mastery, mental models, shared vision, team learning and systems thinking. These concepts have not been empirically researched by Senge. However, they do feature as individual concepts in the management and organisational literature.

The most frequently cited definition of the learning organisation in the European context is that by Pedler et al. (1997), who define a learning organisation as an organisation that facilitates the learning of all of its members and continuously transforms itself (Pedler, Burgoyne & Boydell 1997, p. 3). These writers have published extensively on learning organisations. However, little empirical research could be cited to support or refute their claims concerning the benefits of becoming what they described as 'a learning company', in their book of the same title.

In 1998, Garavan argued that the existing accounts of learning organisations are too conceptual and asserted that a more practical view is provided in the work by Slater and Narver (1995). To better understand the characteristics of learning organisations there was a need to uncover a more concrete and detailed explanation of the learning organisation; this perspective was indeed provided by Slater and Narver (1995).

Slater and Narver (1995) identify five environmental elements of learning organisations. Two of these elements focus on aspects of organisational culture (i.e. market orientation and entrepreneurship) the other three elements focus on aspects of an organisation's climate (i.e. facilitative leadership, organic and open structures and a decentralised approach to planning). These researchers describe what appear to be the more practical elements of an organisation's culture and climate. They see an organisation's culture and climate as being driven by learning and suggest practical ways of managing change, competitiveness and innovation. However, again, many of the concepts discussed by Slater and Narver (1995) had not been subjected to empirical research.

It seemed from this initial examination of the major writings on learning organisations that the definitions and concepts of learning organisations had not been adequately

subjected to research. Perhaps this is because these kinds of definitions of learning organisations are so conceptual. This paucity of empirical evidence also suggested an absence of more formal sets of propositions or well developed mechanisms for asserting any relationships between the concepts identified with learning organisations at the time. At this stage, this exploration of the literature appeared to confirm that the knowledge concerning learning organisations was indeed at a conceptual level, rather than at the theoretical level of knowledge.

It will be shown in the literature review, presented in Chapter Two of this thesis, that some researchers have conducted limited empirical research into learning organisations, but that they have generally focused on the concepts proposed by Senge (1990). Very little of this research has been conducted in the not-for-profit (NFP) sector in general or in Australia more specifically. Despite this lack of empirical evidence, the notion of the learning organisation has become enshrined in the management, education and organisational psychology literature (Garavan 1997, Lakomski 2001, Levine 2001).

1.3 Rationale for the Study

Despite having gained an initial understanding of the conceptual nature of the elements of learning organisations from the literature and having become more familiar with the topic, my need to better understand the phenomena of learning organisations was not sated. This led me into further discussions with senior executives at the NFPO and with senior academics at the University of Wollongong. The culmination of these discussions led to an invitation by the NFPO to conduct a study to determine the extent to which the concepts identified in the literature for learning organisations existed and were operationalised at the NFPO at that time.

The phenomena of learning organisations were of great interest to the NFPO. They wanted to know to what extent the concepts of learning organisations were evident or absent in the organisation overall. In the event that these concepts were evident, they also wanted to know the extent to which they were operationalised. The NFPO saw learning organisations as an organisational environment that would assist the

organisation to flourish in the context of an uncertain and dynamic external environment.

The study was seen by the NFPO as a way to analyse the concepts of learning organisations in the context in which the organisation was presently situated. It also saw that recommendations from the study could frame its future development in becoming a learning organisation.

The literature was unclear about what the characteristics of a learning organisation were and the small amount of empirical research on the topic was inconclusive. The NFPO was enthusiastic in its support and had clear expectations of what it would gain from the study. To transform these thoughts into a worthwhile contribution on the topic of learning organisations, a clear and unambiguous research question and some realistic and tangible aims for the study were determined.

1.4 The Research Question

To what extent do concepts of learning organisations exist and to what extent are such concepts operationalised at the NFPO.

1.5 The Aims of the Study

The aims of this study provide a clear focus for the research. The aims of the study are:
1. to determine whether the concepts of learning organisations exist in a large NFPO
2. to determine how the concepts of learning organisations are operationalised in a large NFPO
3. to provide the NFPO with insights concerning its current status as a learning organisation
4. to provide the NFPO with recommendations to assist it in continuing to build a learning organisation.

1.6 Research Methods

To achieve these aims, several research methods were considered in the development of an appropriate research design for this study. Ultimately, the case study design was selected, taking into account a number of factors, which are briefly presented in this section.

Case study is an acknowledged form of empirical inquiry. The case study method is most appropriate in studies in which the boundaries between the theoretical propositions, the conceptual frameworks in the literature and the phenomena as played out in the real world are unclear. Exploratory case studies have been found to be most useful when the general circumstances of the contemporary phenomenon to be studied are in a real-life context (Yin 2009), with the context determining meaning. Exploratory case studies are able to provide the rich contextual data collected from personal contact with the environment and participants of the study. This exploratory case study is an empirical inquiry into the extent to which the concepts concerning learning organisations are played out in a real NFPO.

Learning organisations are concerned with human actions and interactions within the organisational context. The writer believed that an exploratory case study had the potential to unearth unique contextual findings. This was due to systematic combining which is an abductive approach to case research. Therefore; having determined that a qualitative research paradigm which includes both an inductive and deductive approach would most appropriately address the contextual aspects of the study, the rationale for using the exploratory research method for the study is now briefly discussed.

The decision to use an exploratory case study method was based on three factors. The first factor was the paucity of empirical research concerning the concepts of learning organisations. Although a more comprehensive review of the literature on learning organisations is provided in Chapter Two of this thesis, the major works on the subject are conceptual and have not been adequately subjected to research. Very few research papers could be identified in the initial review of the literature. What did exist consisted

of contexts and methods not easily transferable to this case study. Secondly, there appears to be some problems with quantitative studies in this area. This is because the concepts concerning learning organisations are fundamentally contextual and cannot be effectively explored through the use of quantitative research methods. Finally, researchers have signalled the need to use qualitative data collection methods to enhance our understanding of learning organisations. More qualitative research is needed to understand how the abstract concepts concerning learning organisations can be translated into structures and processes that occur in the context of organisational reality (Darling-Hammond 1996, Dufour & Eaker 1998, Fullan 2000, Schechter 2008). A more detailed explanation of the research methodology is presented in Chapter Four of this thesis.

1.7 Significance of the Study

The concepts of learning organisations are thought to bring many benefits to organisations experiencing problems with change, competitiveness and innovation (Slater & Narver 1995). The research to-date suggests that these concepts are not easy to identify or assess (Bapuji & Crossan 2004). This study will assess the concepts of learning organisations proposed by acknowledged writers on learning organisations in a real-life organisational setting.

This study has important managerial implications. There is a substantial consensus today that a key competitive advantage of organisations lies in their ability to learn and be responsive to challenges from both internal and external organisational environments (Škerlavaj et al. 2007). Externally, the role of government and institutions is essential in fostering open information exchange through technology or other activation policies that stimulate networking between NFPO and their stakeholders (Kong 2008). Internally, more attention has to be paid to developing an organisational learning culture to improve organisational effectiveness (Senge 1990). This can be achieved by fostering an environment in which employees can and do continually learn and share their knowledge (Blackman & Froggatt 2006). One practical implication of such thinking is that investing effort, time and money into initiatives aimed at developing a learning-oriented culture can lead to increased

capabilities in managing change, innovation and competitive advantage within modern organisations. This NFP is no exception.

The study will contribute new knowledge to the field in two significant ways. First, by developing a conceptual framework incorporating the elements of learning organisations based on the literature. This will be the first known assessment of a learning organisation to be conducted in this way. Secondly, tangible insights and recommendations concerning the existence and operationalisation of the concepts of learning organisations will be offered, guiding the NFPO in its stated desire to be recognised as a learning organisation.

1.8 Conclusion

This exploratory case study is based on a NFPO that claims to be a learning organisation. To test this proposition empirically, a conceptual framework was developed from the literature. This framework will be applied to investigate both the existence of the concepts of learning organisations in the NFPO and how they are operationalised. The insights and recommendations produced by this research will provide this NFPO with a significant management case for guiding it on its journey to become a learning organisation. This research has the potential to move the idea of learning organisations beyond merely providing a focus for enquiry by truly substantiating the concepts of learning organisations and allowing the relationships between them to be established (Nieswiadomy 1993).

1.9 Structure of the Thesis

This thesis is divided into seven chapters:
1. Chapter One: consists of an introduction to how this study came about and why the study was undertaken. The background, rationale, research question and aims and objectives of the study are stated along with a brief account of the study's significance and the reason for using an exploratory case study design. The chapter concludes with an overview of this thesis.

2. Chapter Two: reviews the literature and is divided into two sections. Section One reveals what is currently known about learning organisations and their place in the context of challenges facing NFPOs. Section two identifies the core concepts of learning organisations and is used to inform the conceptual framework for the case study, which is presented in Chapter Three.

3. Chapter Three: provides a discussion and presentation of the conceptual framework of learning organisations developed for this study.

4. Chapter Four: describes in detail the exploratory case study design used for this study and includes the selection of participants, the methods used to collect the data and a discussion of validity and reliability in relation to this exploratory case study research. The chapter concludes with a detailed outline of the three phased plan followed throughout the research.

5. Chapter Five: is a presentation of the main findings from the in-depth interviews and documentation from within the case study. The findings are illustrated with a series of comments, derived from the transcripts of interviews and from the organisation's records. This chapter concludes with a revised conceptual model of a learning organisation based on the exploratory case study findings.

6. Chapter Six: contains the discussion of the research findings, interpretations and conclusions. The discussion includes how the research identified barriers to organisations becoming learning organisations.

7. Chapter Seven: summarises the study and provides a series of insights and recommendations. It concludes with a brief review of the limitations of this work.

8. The appendices include participant correspondence, the research participation information sheet, consent form, depth interview questions and document data analysis instruments and a list of the documentation scrutinised for this study.

Chapter 2: The Literature Review

2.1 Introduction

This chapter is an overview of the forces that are currently at work, forcing organisations to examine the form that they adopt in carrying out their activities and operations. The literature is reviewed in the context of welfare reform, the factors influencing NFPOs and the scale and contribution of the NFP sector. This literature review aims to identify the core concepts of the learning organisation and to explore the benefits or otherwise that may stem from a NFPO adopting these concepts.

The literature was obtained using the following search strategy. Electronic databases including Emerald, Pro Quest and Wiley Inter Science were accessed. A variety of key search terms were used, for example, learning organisation (organisational learning, learning company, communities of learners), not-for-profit (organisation, sector, NGO), organisational culture (i.e. market-orientated learning culture), organisational climate (i.e. leadership, planning structures). This search revealed over twelve thousand articles. This large body of literature sourced from these databases was narrowed down to the 374 actually used in this study.

In addition any references that were deemed useful from the reference index of relevant texts and journal articles were also included in the review. The inclusion criteria for the review were any article that provided information on the need to reform NFPOs and references to learning organisations in the context of the NFP sector. The exclusion criteria were: undisciplined opinion pieces without clear arguments for the point of view expressed, articles and text printed in languages other than English and, outside the date range of 1985–2012. As commonplace with some forms of qualitative research, the literature review was added to and built upon as themes emerged from the data to explore the issues raised.

2.2 The Emergence of Interest in Learning Organisations

Many organisations worldwide are experiencing the imperative to increase their effectiveness in increasingly competitive markets; this applies equally to NFPOs, for-profit and government organisations. This factor, as well as others, discussed in this section, has led to increased demands for new organisational forms, designed to meet this and other challenges and to make organisations more proactive, flexible and adaptable in the face of this continued uncertainty (Aram & Noble 1999, Clarke 1998, De Gues 1997, Manning 2005, Slater & Narver 1995 Sanchez-Bueno & Suarez-Gonzalez 2010). Along with this call for new organisational forms comes a significant shift in the way in which work is being done. A consequence of this phenomenon is that workers are required to become knowledge workers. These workers require increasingly abstract knowledge to carry out their work and a capability for ongoing learning for the mastery of new disciplines (Casey 1999, Handy 1995, Reich 1991, Tessaring 1998, Reinhardt et al 2011) and identified in Table 2.1

2.2.1 Knowledge Workers

The term knowledge worker was identified by Drucker as early as 1967 (Nankervis, Compton & McCarthy 1998) and with this development came the expectation that knowledge workers would increasingly play a major, if not pre-eminent role in society. Many organisations today accept that the most valuable resource they possess is their employees, who are the creators of nascent knowledge and nascent means of generating sustainability and effectiveness (Arthur 1999, Clarke 1998, Dunn 1998, Ford 1998, Toffler 1990 Bredale & Harman 2007, Freeze & Kulkarni 2007). Recruiting and retaining such employees has become a major challenge for many organisations. Central to this emerging reality is that learning is now seen as the most crucial activity in which organisations can be engaged (Morris 1999, Nonaka & Takeuchi 1995, Padron, Gray & Waxman 2000 Reinhardt et al 2011). This change is best demonstrated by Hames's (1994) typology, as shown in Table 2.1, which clearly outlines the shift away from industrial processes to information processes, which has occurred over the last two decades. The shift from industrialisation to information as the major means of sustainability and effectiveness is evident, as nations, such as China, India and

Australia, are trying to transform themselves into knowledge nations, by continually upgrading the lifestyles and education of their people.

Table 2.1: Abilities, Skills and Knowledge Required of Individuals in an Industrial Organisation v. Learning Organisation

Attribute	An Industrial Organisation	A Learning Organisation
Focus	Measurable outcome	Strategic issues
Knowledge	Highly specialised, narrow skills base	Interdisciplinary, multiple skills base
Accountability	Individual	Team
Structure	Clearly differentiated and segmented	Matrix arrangement, with flexible roles
Problem solving	Reactive and linear thinking	Proactive and holistic thinking
Perspective	Local	Global
Attention	Quantitative differences	Qualitative differences
Information flow	Hierarchical and linear	Networks with boundary less exchange
Investment	Plant and equipment	Human development as capital
Orientation	Present	Future
Management	Autocratic, based on inspection	Participation and empowerment
Initiative	Based on managerial elite	Emanate from all directions
Integration	Results through methods	Results through commitment and values

Adapted from R Hames (1994, p. 59).

From Hames's (1994) typology, it is evident that the ways in which the contributions of each organisational member are made and measured have markedly changed (Freeze & Kulkarni 2007). There is no longer an expectation that individuals work alone, possess

a limited and specialised knowledge and react to problems as they occur. This has been replaced by teamwork, multiple knowledge bases and using proactive and holistic thinking processes (Hames 1994, Morgan 1988, Senge & Kleiner 1999). As Hames (1994) notes, information and, after it has been 'processed', knowledge, no longer flows in a hierarchical and linear manner; rather, they flow through networks of people, all using knowledge to develop new products and services (Argyris & Schon 1978, Black & Synan 1997, Dove 1999). The capture and transfer of knowledge has proved challenging to academics and managers in organisations (Blackman, Connelly & Henderson 2004), partly due to the interpretation of what workers actually need to know.

2.2.2 What Does a Highly Skilled Workforce Need to Learn?

While the authors above predict a more highly skilled workforce for the future (Castells 1996 Reinhardt et al 2011), other commentators and researchers are less optimistic. A report prepared by the Tavistock Institute (Aram & Noble 1998) refers to research that has revealed a growing disparity between the skills and working conditions of professional, managerial and technical jobs on the one hand, and those of the peripheral forms of employment on the other. Further, Ostenk (1997), based on his studies in the Netherlands, reports that lean and mean companies encourage learning that is restricted to learning a series of low level, short cycles by repetition. Although continuous improvement is actively pursued in this type of organisation, there is no real rise in skill level, but rather a broadening of the range of low-level skills that enhance the flexibility of production and usability of labour but not the level of competence of the employee, (Aram & Noble 1998, Rogers 2007). Similarly, Rifkin (1995, p. 182), in his discussion of the growing divide between the knowledge rich and the knowledge poor, argues that the new information technologies have been designed to remove:

> Whatever vestigial control workers exercise over the production processes by programming instructions directly into the machine, which then carries them out verbatim... The worker is rendered powerless to exercise independent judgment either on the factory floor or in the office and has little or no control over outcomes dictated in advance by expert programmers.

2.2.3 The Rise of the Learning Organisation

The ascent of learning organisations has been gaining momentum since the mid-1980s, possibly due to the seminal works of Schon (1973) and Argyris and Schon (1978) and Peter Senge (1990), which focused on the importance of learning and how learning can be incorporated into an organisation's culture. Schon's (1973) great innovation was to explore the extent to which organisations were learning systems – and how those systems could be improved. He suggests that the movement toward learning systems is, of necessity, 'a groping and inductive process for which there is no adequate theoretical basis' (p.56). Organisations, Schon argues, are a good example of a learning system. He charts how firms moved from being organised around products toward integration around 'business systems' (p. 64). In an argument that has found many similarities in the literature of the 'learning organisation' some twenty years later, Schon (1973) makes the case that many organisations no longer have a stable base in the technologies of particular products or the systems built around them. An organisation in this context is:

… an internal learning system in which the system's interactions… must now become a matter of directed transformation of the whole system. These directed transformations are in part the justification for the business systems firm. But they oblige it to internalise processes of information flow and sequential innovation which have traditionally been left to the 'market' and to the chain reactions within and across industry lines – reactions in which each firm had only to worry about its own response as one component. The business firm, representing the whole functional system, must now learn to effect the transformation and diffusion of the system as a whole (Schon 1973 P. 75). In many respects, this would be seen as a rationale for Senge's (1990) later championship of the *Fifth Discipline* (systemic thinking) in the generation of learning organisations.

Schon's work on learning systems developed into a significant collaboration with Chris Argyris around professional effectiveness and organisational learning. Their (1974) starting point was that people have mental maps with regard to how to act in situations. This involves the way they plan, implement and review their actions. Furthermore, they asserted that it is these maps that guide people's actions rather than the theories they

explicitly espouse. One way of making sense of this is to say that there is split between theory and action (Argyris and Schon 1994). Chris Argyris and Donald Schon suggested that two *theories of action* are involved. They are those theories that are implicit in what we do as practitioners and managers, and those on which we speak of our actions to others. The former can be described as *theories-in-use*. The words we use to convey what we do or what we would like others to think we do can then be called *espoused theory*. This was an important distinction and is very helpful when exploring questions around professional and organisational practice (Argyris and Schon 1978).

As Zuboff (1988) notes, the professional and organisational practice that most people will engage in and that is of greatest future benefit to organisations is learning and then applying that learning in a meaningful way (Schwandt & Marquardt 2000, Watkins & Marsick 1993). This idea that learning is the most crucial activity an employee can engage in has been attested to by a series of studies. For example, Pearson and Chatterjee (1999a, 1999b, 1999c) note that many senior managers in India and Mongolia now rank the need to learn new things very highly, a significant change from only a few years ago when pay, conditions, status and promotion ranked very highly and learning hardly at all. Therefore, for organisations to become learning organisations they must, of necessity, focus on the learning outcomes of their members.

For NFPOs to flourish into the future, to be competitive, innovative and capable of managing change, the learning organisation would appear a compelling attraction. This is because the proponents of learning organisations purport that the outcomes of the learning organisation's members have a direct influence on an organisation's capacity to be competitive, innovative and to manage change (Morgan 1986, Senge 1990, Slater & Narver 1995). However, the NFP sector is a complex environment; welfare reform is driving NFPOs to re-examine how they do business and, in particular, how they address competition, innovation and change. Research in the sector concerning learning organisations has not been prolific and without critical research, the concepts of learning organisations are likely to remain at a conceptual level.

2.2.4 Research in the NFP Sector on Learning Organisations

There is a paucity of research in the NFP sector and, in particular, on the topic of learning organisations. Research is required to provide further impetus to organisations struggling to find practical ways to adopt the management philosophies and concepts of the learning organisation into their cultures and climates. Very little critical research has been undertaken into the cultures and climates of NFPOs. Most management writing on NFPOs (also known as the third sector) begins with the same premise that (Hudson 2000) Hudson adopts in his book, that is: 'managing third sector organisations is *subtly* different from managing in the private or public sector' (2000, p. 16, emphasis added).

It is precisely the way that NFPOs are managed and their focus on member service, including contributing to the 'common good' that has led to innovative styles of management and service delivery. One such innovation is the sector's interest in the learning organisation. However, identifying what a learning organisation is has proven to be a major challenge for those wishing to research and practice in this area (Garavan 1997). Researchers have identified a number of drivers for social welfare organisations to transition towards becoming learning organisations in the 21st century. Social, political and economic reforms have contributed to this requirement for change (Kong & Farrell 2010).

To understand the imperative for organisations to question their existing managerial philosophies and explore the concepts of learning organisations, it is useful to understand the factors influencing change in the sector. Factors influencing reform in the welfare sector directly affect the management of NFPOs. These factors are highlighted in the next section.

2.2.5 Factors Influencing Reform in the Welfare Sector

Welfare organisations in Australia are competing for consumers across all the major sectors of business at a global, national and local level. Consumer expectations are becoming higher and society is placing unprecedented demands on organisations to do

more with less, as donations and government financial support continue to contract (Kong 2007). Competition, consumer demands and reduced sources of funding require organisations in the NFP sector to respond innovatively and strategically to these challenges. With the workers of such organisations required to be involved in their own continuous learning, the learning organisation is one such strategic response suggested in the literature (Senge 1990).

Reform at the government level in Australia has increased the pressure on welfare organisations to become more customer focused and invest in their staff's learning and development. The major contributing factors prompting organisations to become more focused on learning are: welfare reform, which encourages consumer responsibility and accountability (Schmidtz & Goodin 1998); the changing relationship between government and social welfare organisations (Baulderstone 2005); the need for organisations to learn faster than their competitors (De Gues 1988); the reduced donation dollar, requiring a shift towards a more entrepreneurial approach to the leadership and management of organisations (Shergold 2011); the exponential growth of the third sector and the scale and contribution of the third sector in Australia. A further issue facing the not-for-profit welfare sector is a shift towards consumer responsibility and accountability.

2.2.6 Welfare Reform that Encourages Consumer Responsibility and Accountability

Australian welfare reform has been under way since the late 1980s (Saunders 2000) and reflects the themes of consumer responsibility and accountability that are shaping social policy in many advanced countries (Perry 2002). Australian welfare reform is following a liberal trajectory of change that places a continuing emphasis on market and family as the preferred institutions for social support, with a newly salient appeal to moral ideas about the responsibility of citizens to be self-sustaining (Giddens & Blair 1998). The literature indicates that welfare is being transformed from a limited social right to support provided on condition (Green 2002). These changes have had a profound effect on organisations delivering social welfare programmes on behalf of Australian State and Federal Governments. Organisations charged with the delivery of programmes

designed to promote independence as opposed to dependence are required to learn new and enterprising ways to encourage the participation of their consumers (Kernot & McNeill 2011). Such a move involves what is tantamount to a shift in paradigm for many NFPOs. The learning organisation has been proposed as an organisational culture that has the capacity to rise to this challenge.

The NFP sector in Australia is significant in scale and in its contribution to the welfare of its people. The first step in understanding the role of the NFP sector is to explore its size and the contribution it makes to welfare reform and to the Australian economy.

2.2.7 The Scale and Contribution of the Not-For-Profit Sector in Australia

The NFP sector in Australia makes a significant contribution to the economy and to the delivery of welfare programmes (Kong 2007). The need for NFPOs to respond to the challenges discussed in this section highlights why they need to explore new ways of conducting business. For this reason, a brief introduction to the scale and contribution of the sector is provided in this section.

There were 58,779 NFPOs registered with the Australian Taxation Office (ATO) in Australia as of June 2007. NFPOs contributed almost $43 billion to Australia's economy in 2006–07, or 4.1 per cent. In 2006–07, volunteers contributed 623 million hours to NFPOs, or the equivalent of 317,200 full-time jobs (Productivity Commission 2010). The economic value of these hours is estimated at $14.6 billion. In 2006–07, the NFP sector employed almost 890,000 people (Productivity Commission 2010). The sector continues to increase in scale and to be perceived as different to both the government and private sectors.

The Productivity Commission's recent research report, the *Contribution of the Not-for-Profit Sector* (2010) highlights the rapid growth of the sector over the past decade: it now contributes more than 4 per cent of gross national product (GDP) (just under $43 billion), with nearly five million volunteers contributing an additional $14.6 billion in unpaid work. The report also highlights important differences between this sector and

the government and private sectors, differences that support the argument that third sector organisations offer unique and valuable sites for management inquiry.

The types of not-for-profit organisational activities that contributed to gross value added were education and research (27 per cent), health and hospitals (17 per cent), culture and recreation (16 per cent) and social services (16 per cent) (Productivity Commission 2010).The NFP sector in Australia is a major provider of health, community and social services, contributing a third to gross national value (Productivity Commission 2010). The community purpose, processes and management control are seen as characteristics of the organisations representing this sector, as a recent research report has indicated. The Productivity Commission's recent research report, the *Contribution of the Not-for-Profit Sector* (2010, p. 15) describes not-for-profit organisations as:

> Driven by their 'community purpose'; which may focus on their members, targeted groups in the community, or, more broadly the 'common-good'. In production, NFPs care about how (process) as well as what (activities) they do. And in management, those making the decisions often care deeply about the control they have over both process and choice of activities. It is this combination of community purpose and concern about process and managerial control that characterizes NFPs behavior.

NFPOs are increasingly expected to compete with other providers of certain health and welfare services in the private and government sectors. Although many programmes exist, which are competitively tendered by government, probably the largest experiment in Australia is the tendering of the nation's employment services. The Australian Labor Government's 'Working Nation' proposals were launched in 1994 and aimed to halve the unemployment rate and reduce the long-term unemployment rate to 1 per cent by the year 2000 (Commonwealth of Australia: Working Nation 1994a). It was acknowledged that growth alone would not ensure that the long-term unemployed and other disadvantaged groups would benefit from increased job opportunities. Therefore, the Government proposed to introduce 'sweeping changes' to social security and labour market programmes. Employment Services Australia (previously Job Network) is a competitively tendered, billion-dollar programme delivered through private and NFPO organisations (Commonwealth of Australia: Working Nation 1994b). In the mid-1990s a large number of NFPOs were successful in competing for these services. Indeed a

number of the largest providers continue to be Christian welfare organisations. Many of these organisations, including the organisation being researched in this study were, for the first time, required to compete in a market driven environment. Such organisations needed to learn new and enterprising ways to manage this competitive and growing environment (Kong 2010).

The learning organisation, conceptually at least, has been proposed as an appropriate organisational culture in which competition, change and innovation can be successfully managed (Kontoghiorghes, Awbrey & Feurig 2005). Therefore, a NFPO that adopts the learning organisation concept may expect to see an improvement in its capacity to be competitive, innovative and manage change. However, such a paradigm shift is seen as a major challenge for any organisation, especially for organisations subject to complex internal and external relationships. Relations with their donation base and supporters as well as governments are critical for most NFPOs in the welfare sector; due mostly to the complexity of their traditional ideological and philosophical positions (Shergold 2010). Welfare reform in Australia has led NFP providers of services, previously delivered by government, to transform and adapt their organisations to meet the competitive challenges of tendering for business and managing new and complex relationships with the Federal Government and their consumers. Shergold (2010) has described this as 'Supping with the Devil', referring to the need for NFPOs to compromise their traditional ideologies and beliefs to attract lucrative government contracts. This has led to a change in how governments and NFPOs relate to one another. This evolving relationship is explored further in the next section.

2.2.8 The Changing Relationship between Government and Social Welfare Organisations

In many countries, 'welfare to work' is now established as a positive way to tackle structural unemployment and welfare dependency (Finn, 1997, Welfare to Work Evaluation Report 2008). This approach has required a significant change in the thinking of the government, private and NFP sectors in Australia. This change required many charitable organisations to consider how they might make the transition from

being essentially paternalistic welfare providers to implementing a market-orientated approach in the delivery of their services (Shergold 2010).

The Australian Commonwealth Government, under the leadership of Prime Minister Howard, emphasised that the traditional approach to welfare; which some have labelled the tea and sympathy approach (Bagihole, 1996), is no longer suitable for the Australian context. Consequently, charitable organisations need to adapt if they are to compete successfully in this new environment. This kind of change may require a shift to a different paradigm. To do this, an organisation requires the capacity to question some of its core beliefs and values, with some organisations finding this particularly difficult. Learning organisations are defined as having the ability to constantly review and adjust their current paradigms (Pedler, Burgoyne & Boydell 1992, Senge 1990). For example, one type of paradigm shift involves the shift to a more competitive orientation. The proponents of learning organisations argue that this can be achieved through focusing on creating new knowledge faster than your competitors can (de Gues 1999).

2.2.9 The Need for Organisations to Learn Faster than their Competitors

Changes in the economy have gradually shifted the basis of competitiveness from static price competition to dynamic improvement, benefiting firms that are able to create knowledge faster than their competitors can (Maskell & Malmberg 1999). Invariably, NFPOs do not compete in a price driven market. For organisations such as these to learn faster than their competitors, they need to focus their organisational structures on maximising learning. This kind of structural organisational change seeks to improve organisational knowledge and relationships with their customers, rather than being price competitive (Slater and Narver 1995).

Kong (2008) describes five different approaches that NFPOs can take when organising their structures. These are: the industrial organisation approach, the resource based view or competency approach, the knowledge based view, the balanced–scorecard approach and the intellectual capital approach (which Kong sees as the most viable).

Kong (2008, p. 712) notes that NFPOs operate in a highly competitive environment, in which the key challenges are:

- demand for services from the community
- growing competition for contracts with the public and private sector
- declining volunteer support
- strategic management concepts that are suitable for these types of organisations.

The key elements of each approach include the industrial organisation approach. Here the emphasis is placed upon the 'external environmental determinants of organisational performance' (Porter 1991). However, a critical factor identified in the literature is that NFPOs successes cannot be measured by alignment to a budget and spending, because this can fluctuate and change more easily than in a commercial organisation (Kaplan 2001). This is particularly true for organisations experiencing reduced donations and sponsorship (which are hard to measure via budgets) due to a number of factors, including the recent global financial crisis (2007–2009).

The resource-based approach focuses on the core competencies of an organisation and on what sets it apart from its competitors (Bontis 2001). This is often not viable for NFPOs to implement, as they do not have budgets that allow for extensive infrastructure development. The activities of most Christian welfare organisations in Australia follow a predictable and familiar pattern of service delivery, heavily reliant on voluntary contributions.

The knowledge-based view stresses that the organisation should use tacit knowledge to coordinate their resources and provide value (Teece, Pisano & Shuen 1997). Although the benefit of tacit knowledge is acknowledged in learning organisation literature, the transfer of tacit knowledge relies heavily on technology and requires massive organisational investment in information technology infrastructure, which is often beyond the reach of NFPOs. The value of such investments is debatable, as Zappala (2000) argues, 'Despite the euphoric outbursts from new economy proponents regarding the growth virtues of the new economy many economists argue that the computer and information technology revolution has had relatively little impact on productivity and real GDP growth' (Zappala 2000, p. 6).

The balanced–scorecard approach links performance in four measurable ways: financial, customer, internal processes and learning and growth (Kaplan & Norton 2001). This approach, as Kong (2008) notes, measures everything based on customers and competition, which is difficult for NFPOs.

Kong (2008) favours intellectual capital when human capital, structural capital and relational capital are the focus of an organisation's culture and climate. This approach sits nicely with the learning organisation's entrepreneurial approach to its cultures and climates. Intellectual capital is extremely important in learning organisations (Vargas-Hernandez & Noruzi 2010).This capital consists, primarily, of learning how to capture and use sound evidence regarding customers, staff and external factors, including competitors and how to make changes quicker than competitors do (Hernandez & Noruzi 2010).

Cohen and Prusack (2001) brought social capital to life when they 'wandered around' organisations and commented upon how organisations 'feel'. In other words, they experienced the phenomena in organisations that bring them to life, such as how people greet each other and how stories are created and embedded into the organisations memory. It is through examining both the intellectual and social capital within the NFPO that insight into the organisation and its employees can be achieved.

The industrial organisation and the resource-based approaches have been examined and found wanting (Kong 2008). The industrial organisation, due to the difficulties with aligning budgets with spending and resource approaches, often does not have the resources to invest in large capital expenditures. Likewise, the prohibitive costs of providing a technological solution and the complexity of a balanced–scorecard make these approaches unsuitable for the NFP context. This leaves NFPOs with only one choice: to manage competitiveness, innovation and change through intellectual capital.

The entrepreneurial culture and climate of learning organisations is an example of how two major issues: the reduced donation dollar and exponential growth facing leaders and managers of NFPOs might be addressed.

2.2.10 The Exponential Growth and the Reduced Donation Dollar Requiring a Shift towards More Learning Organisational Cultures and Climates

The exponential growth of the third sector, paralleled with a possible flattening and decline in this sector's traditional volunteer and donation base, are two significant factors influencing NFP welfare organisations, as cited in the literature (Anheier, Carlson & Kendall 2001). This section explores learning organisation cultures and climates as an alternative to more traditional responses discussed in the preceding section and the public goods and trust-related theories, which are discussed below.

The growth of the NFP sector in Australia has been due to a number of stimulating factors. Religious belief plays an important role in education, health and social welfare and continues to be the central mission of many of the larger NFPOs. For example Mission Australia, Centre Care and the Salvation Army. This growth has often been driven by consumer demands for goods and services in the welfare sector, resulting in an increase in the number of these types of organisation.

Feigenbaum (1980) and Chang and Tuckman (1996) show that heterogeneity in a population is related to the increase in the size of the NFP sector in terms of the number of organisations. In a cross-sectional study, Salamon et al. (1996) provide cross-national evidence that there is a general tendency for the size of the NFP sector to increase with the religious heterogeneity of countries. Secular ideologies, often referred to as social movements, are also experiencing significant growth, particularly through environmental and human rights concerns. *Contribution of the Not-for-Profit Sector* (2010) highlights the rapid growth of the sector over the past decade.

Many existing NFPOs see spurts in growth through periods of evangelism (Kong 2008). Sometimes the emergence of a charismatic leader or a strong mission to spread the particular doctrine sees a formidable increase in membership and activities. Government encouragement and finance has enabled many NFPOs to increase their contribution to social welfare beyond expectations. The Australian Federal Government's welfare reform agenda facilitated NFPOs to secure multimillion-dollar contracts for what had traditionally been government delivered services—such as, Job

Network (1996–2007) (Working Nation 1994). Nevertheless, membership of long-established third sector movements, such as mainstream Christian churches and the labour movement is declining markedly (Lyons 2001). To stem this decline, a more entrepreneurial approach has been suggested as an alternative to the often criticised public goods and trust-related theories. Proponents of the public goods theory point to the United States (US) as an example of the theory in practice (Kingma 2003). Essentially, public goods theory argues that the NFPO becomes a substitute for the government in the provision of the public good in question. For Hansmann (1987, p. 29) the critical weakness in the public goods theory, when applied to quasi-public goods, is that it 'stops short of explaining why not-for-profit, rather than commercial, firms arise to fill the unsatisfied demand for public goods'.

In contrast to public goods theory, which addresses the rise of NFPOs in response to the government's undersupply of public and quasi-public goods, trust-related theories emphasise the demand for services (Kingma 2003). It is the trust dilemmas that may arise, inherent in the goods and services provided, that are problematic. For example, the Uniting Church of Australia's provision of injecting rooms may be viewed as a controversial use of its member's donation dollar, as the donors to such organisations may have strong views regarding illicit drug use.

The advantage NFPOs have over commercial organisations is the perception of trustworthiness, which arises from the notion that they do not distribute profits to shareholders or their equivalents. However, according to some commentators (Kingma 2003, Salamon 1995) this perception is only a relative one, as people's trust in any type of organisation is often severely tested, be it government, private or NFP. Salamon (1995) points to the failure of trust-related theories to take government into account and James (1987, 1989) argues that NFPs may often cross subsidise (that is, use surplus revenue from one line of activities to support another, to effect an internal profit distribution to cover deficits). The issues of staff remuneration, tax exemption and fringe benefits have also been topical areas of debate among stakeholders and donors (Kinzie 2010).

In contrast to public goods and trust-related theories, which emphasise aspects of the demand for services, entrepreneurial theories try to explain the existence of NFPOs from the supply-side perspective (Kong 2008). One such approach is led by activities that are deemed to have a positive social impact. This approach promotes the notion of empowering individuals and communities to take responsibility and be accountable for their participation and contribution to society (Hardina et al 2007).

From the review of the literature thus far, it is clear that the NFP sector faces varied challenges and is under pressure to face those challenges through adaptation. Further, it is likely that these pressures will increase. Organisations wishing to be effective in how they manage and respond to the factors that affect them internally and externally will need to look to less traditional ways of organising and operating their enterprises. The learning organisation has been suggested as a possible strategic response that NFPOs could explore. However, the problem is that, until now, not enough research has been conducted on this topic to give organisations the confidence to begin the transition towards becoming learning organisations. A further look at the concepts in the literature is necessary.

2.3 Learning Organisation Cultures and Climates

An enterprising culture promotes its goods and services through creativity and innovation. An organisation that fosters a positive and safe atmosphere which encourages openness and risk taking is the norm often encourages idea generation and application (De Jong & Den Hartog 2007). Slater and Narver (1995) believe that an entrepreneurial organisational culture is a critical factor in becoming a learning organisation. Organisational learning has been identified as an essential factor in enabling creativity and innovation in the commercial and NFP sectors (Akgün et al. 2007, Alegre & Chiva 2008, Calantone, Cavusgil & Zhao 2002, Chipika & Willson 2006, Darroch 2005, Garcia-Morales, Llorens-Montes & Verdu-Jover 2007, Helfat & Raubitscheck 2000, Hung et al. 2010).

The concepts of organisational learning and learning organisations have been used interchangeably (Ortenblad 2001). This has created confusion in the application of

these terms. Clarification of these two concepts has been attempted by some writers (Argyris 1999; Argyris and Schon 1996; Nevis, Di Bella and Gould 1995: Easterby Smith et al 1999; Finger & Brand 1999; Griego et al 2000; Marsick and Watkins 1994; Yang, Watkins & Marsick 2004; Tsang 1997).

Three normative distinctions between organisational learning and the learning organisation have been identified in the literature (Ortenblad 2001). First, organisational learning is seen as a process or set of activities, whereas the learning organisation is viewed as a form of organisation (Tsang 1997). Second, some writers have the opinion that learning takes place naturally in organisations, whereas it takes a great deal of energy to create a learning organisation (Dodgson 1993). Third, the literature on organisational learning emerged from academic inquiry, while the literature on learning organisations is operationally focused (Easterby Smith 1997). Finally, Ortenbald (2001) purports two other elements help to differentiate the two concepts: distinctions founded upon: who learns (Cook & Yanow 2012) and on the location of the knowledge (Blackler 1995). In organisational learning the focus is upon individual learners, whereas in the learning organisation, it is on learners at the individual, team and organisational levels. In organisational learning, knowledge is seen as residing in individuals and the organisational memory in learning organisations (Kontoghiorghes, Awbrey, and Feurig 2005). Whether learning takes place at the individual or organisational level, individual and organisational learning impacts upon creativity and innovation in a positive way (Lee & Tsai 2005, Halit 2006).

Drucker (1985) defines innovation as a means by which entrepreneurs may exploit change to create new service and business opportunities. Entrepreneurial enterprises by their nature create a market niche and fill a consumer need. These enterprises include small businesses, large enterprises and non-business service institutions. Sources for innovative opportunities in enterprises include new knowledge (scientific and non-scientific) and changes in industry structure, demographics and perceptions (Drucker 1985). Entrepreneurs create enterprising cultures and, according to Slater and Narver (1995), encourage innovation and creativity. A learning organisation approach, with its capacity to manage organisational change and an embedded entrepreneurial culture, is

perceived by some commentators as a viable alternative to traditional approaches (Drucker 1985, Pedler, Burgoyne & Boydell 1994, Senge 1990, Slater & Narver 1995) to organisational management and leadership.

Entrepreneurs drive missions and objective functions (and their inputs and outputs). Innovations in goods and services delivery in NFPOs would inevitably lead to higher donor interest and a continued emphasis on promoting organisational growth. That is, providing the innovations are well conceived, appropriate to context and well timed. Learning organisations are said to flourish in cultures that boast a market orientation and entrepreneurial drive (Slater & Narver 1995). The management and leadership of learning organisations in the NFP sector requires meeting the challenge to create cultures that attract donor attention, manage growth and are perceived as trustworthy by society and their consumers.

2.4 The Core Concepts in the Literature Concerning Learning Organisations

The learning organisation strand of the literature has more directly sought to identify the organisational culture and climate variables that contribute to an organisation becoming recognised as a learning organisation. An overview of two of these models is presented in the following chapter, although other models exist. For example, Watkins and Marsick (1993) identified seven dimensions associated with achieving learning organisational status. They argue that learning organisations create continuous learning opportunities, promote inquiry and dialogue, encourage collaboration and team learning, establish systems to capture and share learning, empower people towards a collective vision, connect the organisation to its environment and have leaders who model and support learning. Pedler, Boydell and Burgoyne (1988) and Denton (1998) have also offered a range of variables, which they believe are required to build a learning organisation. The operationalisation of these concepts in the NFP sector has not been extensively researched in Australia. By combining the disciples developed by Senge (1990) and the elements of organisational culture and climate offered by Slater and Narver (1995) a relatively comprehensive conceptual model of a learning organisation is formed. Therefore, a review of these two exemplars is required. The

next chapter presents a conceptual framework of learning organisations, which is then used to conduct an exploratory case study in a NFPO.

2.5 Conclusion

This chapter provided an overview of the forces that are currently at work, forcing organisations to examine the form that they adopt in carrying out their activities and operations. The literature in the chapter is reviewed in the context of welfare reform, the factors influencing NFPOs and the scale and contribution of the NFP sector. The literature review identified the core concepts of the learning organisation and explored the benefits or otherwise that may arise from a NFPO adopting these concepts.

The following gaps in the literature have been identified in this review:
- There is little empirical research that examines the concepts of a learning organisation in the NFP sector.
- Little is known about operationalising the concepts of a learning organisation in NFPOs in Australia.

The literature review revealed that there are many challenges facing NFPOs in Australia. These challenges will be discussed in more detail in later chapters. The findings from the case study interviews and documents are presented in Chapter Five and then synthesised and interpreted in Chapter Six. The recommendations in Chapter Seven outline how NFPOs can become learning organisations. It should be reiterated that the problems facing NFPOs in becoming learning organisations are both many and varied. The literature review revealed the need to create a culture that facilitates employees' innate innovation and creativity. The next chapter provides the conceptual framework, which emerged from the review of the literature for the study.

Chapter Three: A Conceptual Framework Combining Organisational Culture, Organisational Climate and the Five Disciplines of Learning Organisations

3.1 Introduction

This chapter develops a conceptual framework of a learning organisation by combining the conceptual frameworks created by Senge (1990) and Slater and Narver (1995). The managerial philosophies of learning organisations are discussed in terms of the learning organisation's positions on a democratic orientation, a humanistic approach and an optimistic outlook. The chapter argues that by adopting the learning organisation's managerial philosophies and combining the conceptual frameworks created by Senge (1990) and Slater and Narver (1995), a previously untested, comprehensive conceptual framework of learning organisations emerges. This conceptual framework is then explored in an exploratory case study of a NFPO.

In Chapter One of this thesis it was suggested that by combining the conceptual frameworks developed by Senge (1990) and Slater and Narver (1995) a more comprehensive assessment of a learning organisation could be tested at a NFPO that claims to be a 'learning organisation' the combining of these two frameworks is the subject of the next section.

This chapter provides the rationale for the combination of the two conceptual frameworks to underpin the exploratory case study research conducted in the NFPO. The conceptual framework developed to support the study will address the study's research question by:

- confirming the extent to which the concepts of learning organisations developed by Slater and Narver (1995) and Senge (1990) exist in a NFPO
- confirming the extent the concepts of learning organisations developed by Slater and Narver (1995) and Senge (1990) are operationalised in a NFPO.

By taking two of the most researched, cited and to some extent the most implemented models of learning organisations, according to the literature. A holistic model of learning organisations is created. For such a model to have credibility, it needs to be supported by sound managerial philosophies and concepts that can be readily researched in a NFPO.

3.2 Managerial Philosophies and Concepts Concerning Learning Organisations

It is clear that the managerial philosophy and concepts of learning organisations exceed the definition of a company that provides a high degree of training (West 1994). The managerial philosophy concerning a learning organisation is essentially: democratic in orientation, humanistic in application and optimistic in outlook. The concepts concerning learning organisations are those concepts developed by various researchers and writers that are thought to make the managerial philosophy come to life. There is an objective of developing and empowering all human resources, enhancing individual growth and development and being responsive to learning about how the organisation can be better managed and improved.

In the democratic tradition, the learning organisation adopts a systems approach and relies heavily upon achieving equilibrium through openness and feedback. A systemic view on organisations is trans-disciplinary and integrative (Lewis 1994). In other words, it transcends the perspectives of individual disciplines, integrating them based on the formal structure provided by systems theory. The systems approach gives primacy to the interrelationships, not to the elements of the system. It is from these dynamic interrelationships that new properties of the system emerge. In recent years, systems' thinking has been developed to provide techniques for studying systems in holistic ways to supplement traditional reductionist methods (Maurer 2010). In this more recent tradition, systems theory in organisational studies is considered by some as a humanistic approach to managerial philosophy (Smircich 1983).

Drucker (1999) considers that this represents a shift from a mechanical worldview to a biological approach to management in which the perception of the whole is critical. More significantly, he suggests that while matter is the foundation for mechanistic organisations, it is information that is the basic biological element. As information has no boundaries, it will also serve to form the basis for newly interactive communities of people.

Gareth Morgan (1986) describes a new view of organisational evolution and change in which flux and transformation are continuous processes. He cites the Greek philosopher Heraclitus, whose thoughts focused on the hidden tensions and connections that simultaneously create patterns of unity and change and who suggested, in 500 BC, that:

> Everything flows and nothing abides: everything gives way and nothing stays fixed ... Cool things become warm, the warm grows cool; the moist dries, the parched becomes moist ... It is in changing that things find repose (Morgan 1986 cited in Hicks 2010).

Over the years, such dialectical views have influenced the works of Hegel, Mao Tse-tung and Karl Marx, who have viewed the world as evolving as a result of internal tensions between opposites. Marx, for example, revealed how economic and social contradictions within a society provide a basis for its self-transformation. In his detailed analysis in *Das Kapital*, he places emphasis on the relationship between opposing forces, encouraging a view that all change is the product of such tension (Kramer & Tyler 1996). The use of dialectical analysis demonstrates that the management of organisations, of society and of our own lives involves the management of contradiction and of crisis situations in which problems emerge. If problems are formulated based on opposing interests, it is likely that solutions will focus on win or lose formulae (Covey 2004).

In terms of the evolution of the learning organisation, this implies that, if a learning orientation is to be instilled, the role of management must shift from a process of control to one of interpretation. Vicere (1991) considers management by control to be focused on techniques and analyses that extrapolate the past into the future, whereas management by interpretation helps managers to observe changes, but also to interpret

and proactively respond to those changes through a heightened awareness of the strategic directions and capabilities of the organisation.

An emphasis on co-ordination rather than control provides a basis to increase the compatibility of individual and organisational learning by way of participation, team building, empowerment and self-awareness. Concepts emphasised in many of the models of learning organisations—for example, participation in decentralised strategic planning, team building through team learning, empowerment through autonomy and risk taking and self-awareness through personal mastery (Garavan 1997) have not been extensively researched (Garavan 1997). The concept of building 'a community of learners' is based on democratic ideals of collective learning processes; empowerment and self-awareness' (Pringle 2002). Such concepts have been slow to materialise in the vast majority of organisations. The reason for this may be that doubt remains concerning what a learning organisation should look like (Garavan 1997).

Despite the outpouring of managerial philosophical interest in learning organisations, there does not yet appear to be a consensus on the concepts concerning learning organisations in organisational theory. Theories of its role range from viewing learning organisations as having the capacity to manage change (Pedlar et al. 1991), competitive advantage (Slater & Narver 1995) and innovation (Kandemir, Hult & Tomas 2005, Kusunoki, IkuJiro & Nagata 1998, Martins & Terblanche 2003, Merx-Chermin & Nijhof 2005, Sarros 2002), to the more esoteric conceptualisations of learning societies (Argyris & Schön 1974) and communities of learners (Pringle 2002).

The writer argues that if organisations are to transform these philosophies and concepts into reality, a viable conceptual framework that can be tested in a real-life case study of a learning organisation is required. The combination of the conceptual frameworks proposed by Slater and Narver (1995) and Senge (1990) capture the essential cultural and climatic elements of learning organisations. Therefore, this chapter builds on the work of Senge (1990) and Slater and Narver (1995) to suggest a conceptual framework, as a way to explore the concepts of learning organisations in a NFPO.

The argument for combining the conceptual frameworks proposed by Senge (1990) and Slater and Narver (1995) is based on the fact that, according to the majority of the

literature, neither of these frameworks adequately covers the characteristics of a learning organisation when viewed alone. Although this may be said of the models of learning organisations suggested by other writers, the combination of Senge's more esoteric concepts with the more operationally focused Slater and Narver model provides a conceptual framework that includes these two powerful orientations. Although there are overlaps between the two sets of concepts, these writers examine learning organisations from different perspectives, making them complementary and suitable for adaptation into a new framework.

3.3 Combining Organisational Culture, Climate and the Disciplines of Learning Organisations

The learning organisation strand of the organisational learning literature has more directly sought to identify the organisational culture and climate variables that contribute to an organisation becoming recognised as a learning organisation. In this chapter, a holistic conceptual framework of learning organisations will be presented by combining the previously developed frameworks of Senge (1990) and Slater and Narver (1995).

Although several authors (Garvin 1993, McGill, Slocum & Lei 1992, Senge 1990, Gill 2010) have written about the idea of a learning organisation culture, there is no widely accepted theory or position on this issue. Certainly, some authors have identified specific aspects of learning organisation culture, such as entrepreneurship and risk taking (Kanter 1989, Naman & Slevin 1993, Slater & Narver 1995, Sykes & Block 1989), facilitative leadership (Meen & Keough 1992, Slater & Narver 1995, Gill 2010), organic structures (Gupta & Govindarajan 1991, Slater & Narver 1995, Woodman, Sawyer & Griffin 1993, Martinez Leon & Martinez Garcia 2011), decentralised strategic planning processes (Day 1999, Hart 1992, Mintzberg 1994, Slater & Narver 1995 Gabriel and Ceccherelli 2004) and individual development being valued as an end in itself (Garvin 1993, Senge 1990). However, there has been little attempt to test the existence of these aspects empirically or to explain how they may contribute to a culture and climate of learning within the organisation and ultimately enhance

organisational performance, particularly in the areas of competitive advantage, innovation and managing change.

Culture is the deeply rooted set of values and beliefs that provide norms for behaviour. A learning organisation is an organisation skilled at creating, acquiring and transferring knowledge and at modifying its behaviour to reflect new knowledge and insights (Garvin 1993 p. 90). Marsick and Watkins (1999) demonstrated how informal learning can help a learning organisation tap into its cultures knowledge potential through the use of knowledge repositories, goal based scenarios and group work.

The concept of culture itself is intangible and the idea of a learning culture is perhaps easier to experience than describe. However, there is evidence to suggest that an organisation's culture may facilitate or inhibit learning depending on its characteristics (Argyris 1987, Bate 1990).

Climate describes how an organisation operationalises its culture, the structures and processes that facilitate the achievement of the desired behaviours (Slater & Narver 1995). Organisational processes, which include planning, structure, training and learning, are said to be factors in assessing an organisation's climate (Slater & Narver 1998). Since the publication of Senge's (1990) seminal work about learning organisations, many writers have added to Senge's ideal of a learning organisation and these views can be put into two succinct categories: those of organisational culture and those of organisational climate, as shown in Table 3.1.

Table 3.1: Categories of Concepts for Learning Organisations

Concepts of learning Organisations	Culture/ Climate	Whose Model?
Systems Thinking	Culture	Buckler 1998; Holt et al. 2000; Dowd 2000; Hinz 1998; Kofman & Senge 1993; Nevis et al. 1995; Senge 1990a; Smith 1999; Snell 2001;Watkins & Marsick 1993;Senge et al 2007
Personal Mastery	Climate	Clegg 1999; Dobson & Tosh 1999; Garratt 1990; Gephart et al. 1996; Holt et al. 2000; Kofman & Senge 1993; Mabey & Salamon 1995; Senge 1990a; Snell 2001;Koehle, Bird, Drew and Bonney 2008
Mental Models	Culture	Clute 1999; Dovey 1997; Kofman & Senge 1993; Pedler et al. 1989; Senge 1990a; Young 2008
Shared Vision	Culture	Dovey 1997; Gephart 1996; Goh 1998; Kofman & Senge 1993; Mabey & Salamon 1995; Nevis et al. 1995; Pedler et al. 1989; Senge 1990a; Simonin 1997; Teare 1997; Watkins & Marsick 1993; Wishart et al. 1996; Senge 2008
Team Learning	Climate	Anonymous (b) 1995; Buckler 1998; Clegg 1999; Dobson & Tosh 1999; Dovey 1997; Farrell 2000; Franklin et al. 1998; Garger 1999; Garrett 1990; Goh 1998; Hinz 1998; Hodgkinson 2000; Hong 1999; Kofman & Senge 1993; Mabey & Salamon 1995; Nevis et al. 1995; Pedler et al. 1989; Pool 2000; Popper & Lipshitz 2000; Senge 1990a; Smith 1999; Watkins & Marsick 1993; Wishart et al. 1996 Timmermans, Van Petegem; Elseviers; Denekens 2011
Decentralised Planning	Climate	Gephart et al. 1996; Garger 1999; Garratt 1990; Goh 1998; Holt et al. 2000; Kofman & Senge 1993; Nevis et al. 1995; Pedler et al. 1989; Senge 1990a; Slater & Narver 1995; Watkins & Marsick 1993; Gabriel and Ceccherelli 2004
Open Organic Organisation Structures	Climate	Anonymous (b) 1995; Buckler 1998; Clegg 1999; Dobson & Tosh 1999; Dovey 1997; Farrell 2000; Franklin et al. 1998; Garger 1999; Garrett 1990; Goh 1998; Hinz 1998; Hodgkinson 2000; Hong 1999; Kofman & Senge 1993; Mabey & Salamon 1995; Nevis et al. 1995; Pedler et al. 1989; Pool 2000; Popper & Lipshitz 2000; Senge 1990a; Slater & Narver 1995; Smith 1999; Watkins & Marsick 1993; Wishart et al. 1996;Curado 2006; Martinez - Leon & Martinez – Garcia 2011
Entrepreneurship	Culture	Clegg 1999; Clute 1999; Franklin et al. 1998; Gephart et al. 1996; Goh 1998; Griego et al. 2000; Hinz 1998; Hodgkinson 2000; Holt et al. 2000; Kofman & Senge 1993; Nevis et al. 1995; Pedler et al. 1989; Pool 2000; Popper & Lipshitz 2000; Senge 1990a; Slater & Narver 1995; Smith 1999; Snell 2001; Wishart et al. 1996; Najafbagy, R., Mirzaei Daryani, Sh., Mirsepasi, N., & Iranzade S. (2011)
Market Orientation	Culture	Clegg 1999; Clute 1999; Gephart et al. 1996; Goh 1998; Kofman & Senge 1993; Nevis et al. 1995; Pedler et al. 1989; Popper & Lipshitz 2000; Senge 1990a; Slater & Narver 1995; Wishart et al. 1996; Keskin 2006

This research combines the disciplines proposed by Senge (1990) and the elements of organisational culture and climate offered by Slater and Narver (1995) into a comprehensive conceptual framework of a learning organisation. Therefore, a review of the work developed by these writers is required.

Following the literature review in Chapter Two of this thesis, the concepts proposed by Senge (1990) and Slater and Narver (1995) best capture the concepts of learning organisation's cultures and climates. Neither on their own contains all the concepts necessary to describe a learning organisation adequately, so it is proposed that by combining them, an elegant conceptual framework of learning organisations can be provided. From all the frameworks currently in existence concerning learning organisations, the writer chose the concepts from the frameworks of Senge (1990) and Slater and Narver (1995) as the most probable concepts of a learning organisation that would exist and be operationalised in a case study of a NFPO. An overview of these conceptual frameworks is presented in the following section.

3.3.1 Senge's Prototype of a Learning Organisation

Known as the inventor of the learning organisation, Peter Senge has written extensively on the topic. Senge sets out the conceptual framework of learning organisations as five disciplines that need to be adopted at a personal and collective level in organisations.

In an organisational context, Senge (1990) highlights the importance of individual learning: 'Organisations learn only through individuals who learn. Individual learning does not guarantee organisational learning. But without it no organisational learning occurs' (Senge 1990, p. 139). In other words, organisations do not learn, individuals do (Bielaczyc & Collins 1999, Denton 1998, Kim 1993). Moreover, Senge (1990) saw that learning organisations can exist, but only if the people who populate them have the right qualities: qualities that promote learning as a continual outcome and as second nature. Senge (1990) further elaborates what qualities are crucial for people and

organisations to have, to ensure the development of their organisation into a learning organisation. He frames these as five disciplines, shown in Figure 3.1.
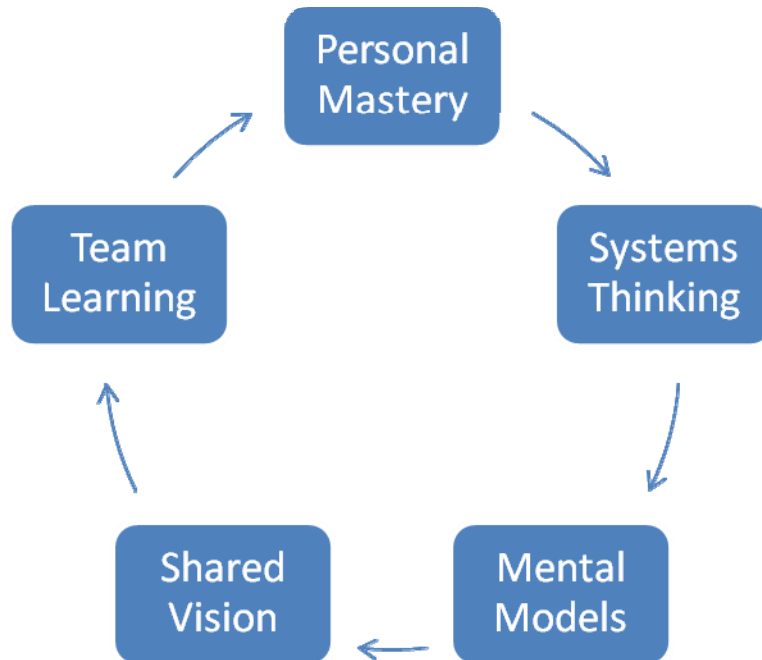
Figure 3.1: Senge's Five Disciplines of a Learning Organisation

It is these five disciplines that form the core of Senge's learning organisation concept, as he reasons that it is the individuals within the organisation that must be able to both act and sustain the use of them, thus allowing the organisation to develop into a learning organisation (Senge 1990). Senge's reasoning is that as people gain mastery of these disciplines they will unconsciously change their thinking and behaviour, in turn transforming the organisation in which they work into a form that reflects his or her image of a learning organisation. As these disciplines are the basis for developing a learning organisation, an examination of them is presented.

3.3.1.1 Personal Mastery

Personal mastery is the term used by Senge (1990) and his colleagues for the discipline of personal growth and development. Senge (1990) sees lifelong generative learning and proficiency in every aspect of professional and personal life as key processes to achieving the desired outcome of personal mastery. He focuses on the personal growth

aspects of learning and the capacity to question long held beliefs and assumptions: 'Personal mastery is the discipline of continually clarifying and deepening our personal vision, of focusing our energies, of developing patience, and of seeing reality objectively' (p. 7).

Generative learning involves questioning one's basic assumptions. At an organisational level, Slater and Narver (1995, p. 64) describe it thus: 'generative learning occurs when the organisation is willing to question long held assumptions about its mission, customers, capabilities or strategy… and … requires the development of a new way of looking at the world'. Such a transformation can be a frightening prospect for organisations and according to (Schein 1999) who has worked extensively in this area, it will be resisted. This is a problem because some writers have identified lifelong generative learning as the key element in the career development of professional workers (Duyff 1999). Conversely, many instances could be cited of the dangers associated with organisational members challenging certain fundamental beliefs and assumptions, particularly in a belief based organisation. Such as; Catholics challenging the church's stance on birth control or that Jehovah's Witnesses are not allowed to accept blood transfusions for themselves or their children, believing that this is the same as eating blood and is forbidden by the Bible. Challenging such beliefs and assumptions is critical to the development of learning organisations; this creates a major dilemma for traditional organisations. Personal mastery is about developing personal visions, i.e. clarifying things that are important to the individual. The concern here is the reciprocal commitments between individuals and organisation. Thus a worker who thinks that an organisation is assisting in developing their personal visions will work harder for the organisation (Finger and Woollis 1994).

Nevertheless, personal mastery incorporating generative learning is a key concept mentioned by both Slater and Narver (1995) and Senge (1990) as well as others in the field.

3.3.1.2 Systems Thinking

Personal mastery is, according to Senge (1990), a pre-requisite for understanding systems thinking. To master systems thinking the individual must have the capacity to see things from multiple perspectives and have the capacity to suspend their judgments until the whole picture emerges. Systems' thinking is about seeing the composite picture. According to Senge, "Systems thinking" is a discipline for seeing wholes. It is a concept for seeing interrelationships rather than things, for seeing patterns of change rather than static "snapshots" (1990, p. 68). Senge (1990) identified the use of systems thinking as being a way to gain a comprehension of complexity in organisations.

Senge (1990) further argues that, without the ability to see the interconnectedness of these systems, organisational members will continually work against the best interests of themselves and the organisation, as they are unable to see that everything is connected to everything else. The concept of systems thinking is linked to personal mastery in that it requires individuals to suspend their assumptions concerning an event until the event has been explored from multiple perspectives, often involving an explanation of not only cause and effect but also time and context. One expression of systems thinking is employing creative and innovative strategies for problem solving and decision making, rather than looking at events in a linear way. However, the acceptance that everything is inter-related implies that if any part of the model is erroneous, then the whole system will be affected by the error: a concept that requires a thorough and fearless examination of one's own implicitly and explicitly held perspectives as well as the perspectives of others. Essentially, systems' thinking is a conceptual framework to see things in a "larger picture", so as to understand the interdependence of the smaller units that make up a whole system (Senge 2002). A worker who applies this thinking may think in this way, "I'm a part of the bigger system. Whatever I do will affect others and the whole system. Thus I'd better do my job right so that I won't detriment others or the organisation."

The next concept of learning organisations proposed by Senge (1990) is the concept of mental models.

3.3.1.3 Mental Models

The view of the organisation held by its members and consumers is what Senge (1990, 1997) calls a mental model. These are the individual's implicitly and explicitly held assumptions about the organisation and the environment in which it operates. These assumptions are so innate and so deeply held that they are rarely, if ever, challenged (Covey 2004, Hoffman & Hegarty 1993, Sinkula 1997). Therefore, as it is these assumptions that the organisational members hold as being true, it is these assumptions that constitute the mental model, through which the organisation's members see themselves and their organisation (Robbins & Barnwell 1998) any shift in this implicitly favoured mental model can threaten the entire stability of the organisation (Morgan 1986, Semler 1993, Senge 1996).

Should there be a challenge to the favoured mental model by those who hold different mental models, they would find the organisational culture, processes, rules, regulations and systems arrayed against them because those who felt threatened would defend the status quo, to maintain the existing mental model of the organisation (Saul 1997). To this end, those who currently have power—be it legitimate, expert or referent—need to define explicitly what these mental models need to be and find ways to encourage others to adopt them (Robbins & Barnwell 1998). Moreover, these people also need to ensure that there is a high level of communication about what the accepted mental models are, so as to guarantee that others can and are willing to adopt that model (Morgan 1986, Saul 1997, Saul 1999, Senge 1990).

Working with mental models involves discovering our world views and our assumptions, so as to expose our own thinking effectively and make that thinking open to the influence of others. In this context the organisation can influence the worker's thinking to be in line with its vision (Grieves 2008).

It will be only when all—or at least the majority of—organisational members adopt a mental model that views the organisation as a learning organisation that the organisation can start to become a learning organisation. Senge (1990) links these

mental models with the development of a shared vision for all organisational members, as part of the basis on which a learning organisation can be built.

3.3.1.4 Shared Vision

According to Senge (1990), effective leaders have the ability to create a shared vision. This involves the extolling of shared 'vistas of the future', which people are freely committed to, creating a shared vision that is genuinely shared by all members (p. 9). However, a shared vision needs to be more than an idea; it has to be demonstrated. The Australian action research study by (Birleson 1998), in an effort to affect quality improvement, demonstrated that a shared vision is open to reshaping and redefinition by all members. When seeking to identify a shared vision, Vassalou (2001) conducted 22 semi-structured interviews with members of the Board, general managers and staff of United Kingdom (UK) and Greek health care organisations. Multiple sources of evidence (triangulation) were used to reduce bias. Employing a case study approach, Vassalou (2001) clearly identified a number of deficiencies regarding mission, vision and leadership within these organisations. The study specifically identified major problems when they asked members of the organisations to articulate the vision, mission and the leaders' role in creating and sharing them. In fact, the majority of the participants in this study appeared to be directionless and confused.

Gardiner and Whiting (1997), in their attempt to assess learning organisation characteristics in an engineering company using a specially developed questionnaire, presented their findings using eight conceptual groups. The company could not claim to have become a learning organisation, though it had moved in this direction. These researchers similarly reported that only 22 per cent of the organisation's members felt that management was capable of motivating employees through its vision. This is a common problem: although organisations may espouse grand visions and lofty missions, they are not necessarily embedded in the minds of their followers.

The contemporary literature on leadership clearly states that a leader's job is to articulate vision and values clearly, to provide their followers with direction (Kouzes & Posner 2007). However, frustratingly for some, an organisational vision cannot be

created by edict (Johnson & Hawke 2002). This is in keeping with Senge's (1990) point that: a shared vision is not imposed on an organisation, it is a vision that many people are truly committed to, because it reflects their own personal vision. Questions concerning shared vision, in an organisation, could possibly reveal the extent to which the followers subscribe to the vision articulated by their leaders. This involves the skills of unearthing shared "pictures of the future", so as to foster genuine commitment to the organisation, rather than compliance. Workers who are committed to an organisation will naturally work harder.

3.3.1.5 Team Learning

Team learning is said to be a critical concept of learning organisations (Bohm, Factor & Garrett 1991, Senge 1990), for example, argues that learning collectively, not just individually, is one of the key concepts in developing a learning organisation. This is because, as Senge (1990) explains, no one can learn all that an organisation knows or needs to know, nor can people stay with an organisation long enough to guarantee they will be there when that knowledge is needed (Drucker 1997, Morgan 1986, Semler 1993). Teams are also seen as a critical factor in an organisation's capacity to acquire new knowledge (Senge 1990). There are two related areas that affect the ability of a learning organisation to acquire new knowledge: whether the learning organisation is able to differentiate itself from its environment and whether the learning organisation is self-reflexive in nature or not.

The acquisition of new knowledge and reflection is currently the focus of considerable attention and it is addressed by a broad range of literatures (Gibbons et al. 1994). Organisation theory, industrial economics, economic history and business management and innovation studies all approach the question of how organisations acquire new knowledge and become reflexive. Costa Mesa's (1998) *Recasting Employees into Teams* describes how Signicast of Milwaukee, Wisconsin, developed a 'learning organisation mindset' at a newly constructed plant (Mesa 1998). Important strategies and points include the following: worker-executive dialogue about building the new facility was critical for engaging workers and improving designs; cross training makes jobs more interesting, teaches employees new skills and reduces injuries; learning

incentives promote cross training and reward good performance; and including workers in shift scheduling is one way to promote a strong work/life balance.

These positive attributes of recasting individuals into teams is seen as an important aspect of learning organisations, particularly how team learning can result in complimenting each other's strengths and compensating for each other's limitations (Senge 1990 p.4). The concept of learning organisation advocates working in teams. Teams however, can be a means of worker control, through electronic and peer surveillance (Sewell 1998), and the coercive control of peer group pressure (Barker 1993). One of the benefits of team learning to an organisation is that knowledge is not invested in one person. The organisations 'memory' is thus shared between several members.

In this context, not only must people keep learning, but they must also act as an organisational 'memory' for society at large, especially in NFPOs, because this is a crucial part of the organisations learning process (Dalkir 2005). This is achieved by both new and old organisational members being able to draw on the individual and collectively held knowledge of the organisation to make new and fresh applications of that knowledge. In this way, organisation members should seek to develop new ways of seeing things as well as to create new products and services that add value to people's lives (Bathgate & Kingwell 1999, Elliot 2000, McCorquodale & Fairbrother 1999, Robbins & Barnwell 1998).

Senge (1990) envisages a learning organisation as a composite of these five elements. As people begin to develop and use their systems thinking, gain personal mastery, hold the same mental models, share a commonly held and defined vision and begin learning as a team, a learning organisation develops. However, Senge (1990) did not develop a specific model to enable an organisation to map out how the above could be achieved. Consequently, while his work is important, it lacks an explicit approach able to be defined and developed (Arthur 1999, Gephart et al. 1996, Lei, Slocum & Pitts 1997).

It should be noted that none of these approaches adequately addresses the concept of a learning organisation, as originally envisaged by Senge (1990). Rather, they focus on particular elements of an organisation. Consequently, some organisations have been

labelled learning organisations simply because they display some element of what is perceived to be important for a learning organisation. However, this is erroneous, as more often than not it is done without fully appreciating the subtlety and complexity of the nature of learning organisations. Further, as Gherardi (1999) and Gibb (1998) both note, there is little consistency or agreement as to the nature of learning organisations, which adds to the confusion, controversy and complexity surrounding them and makes it imperative that a holistic view of them be developed. The concept of the learning organisation has been subject to some legitimate criticism which is summarised below.

The concept of a "learning organisation" may be initially viewed like a "friendly" alternative to the traditional kind of organisations, with the emphasis on decentralisation, cultivating a sense of shared vision and a genuine aim to develop people (Finger and Woollis 1994). On the other hand, such learning organisations can be seen as no different or even "worse" than the traditional kind of organisations (Salaman and Butler 1994). While traditional organisations control people's behaviour, learning organisations control people's thinking (Grieves 2008 p.469). This is a higher level of control because workers may not even be aware that they are being controlled to conform to the needs of the organisation.

Critiques of the concept of learning organisations, such as Finger and Woollis (1994), criticise the human capital orientation of learning organisation literature which regards people as "resources" to be exploited in serving the organisation's pursuit of profit. The power structures of the marketplace and the selected knowledge it values remain unexamined, and learning is distorted into a tool for competitive advantage. From a different perspective, a learning theorist might legitimately argue that the concept of learning organisation largely ignores current knowledge about adult learning and development. The highly complex nature of people developing new understandings in the workplace is an individual and social process, where knowledge shapes and is shaped by office politics and relationships as well as slippery human dimensions such as emotion, spirit, and intuition is reduced to a romantic image of honest dialogue and caring. From a neo-Gramscian perspective (i.e., see McKay, 1994), the learning organisation concept might be critiqued for its ideals of continuous learning in teams as a hegemony, representing itself as essentialist, closed, and complete to ensure the continuing power of the elite served by such an ideology and obscuring the non-

reducible nature of people struggling to keep their jobs and stay sane in a chaotic workplace. West (1994) concludes in his critical review of this literature that the learning organisation meets the learner's needs only if these are not in conflict with the organisation's needs. He shows that despite rhetoric representing itself as a worker-centred philosophy, the learning organisation concept in fact emphasises productivity, efficiency, and competitive advantage at the expense of the worker. And as Shaw and Perkins (1991) point out, these goals orient the company culture to values and activities which actually inhibit learning.

In spite of these substantial criticisms', the learning organisation endures as a management philosophy (Grieves 2008). The attraction of a workplace that espouses; democracy, humanity and optimism is difficult to deny. Turning this rhetoric into a reality is the challenge to organisations and academics in the post learning organisation era. Through combining the heavily criticised work of Senge, with the more pragmatic work by Slater and Narver, it is argued that a more complete construct of learning organisations begins to emerge.

The next section describes the second conceptual framework of a learning organisation. It is believed that this framework adds substance to and materially enhances the conceptual framework created by Senge (1990). Enhancing Senge's framework is considered necessary, because until now attempts to operationalise the concepts outlined by Senge have failed to materialise into a reality to which NFPOs can relate.

3.3.2 Slater and Narver's Model of a Learning Organisation

Slater and Narver (1995) suggest five critical components of the learning organisation: two elements of culture and three elements of climate. However, as these writers acknowledge, the demarcation line between culture and climate is ambiguous. They suggest that the culture elements consist of a market orientation and entrepreneurship, whereas the climate features include facilitative leadership, an organic and open structure and a decentralised approach to planning (Garavan 1997). The culture and climate concepts of learning organisations proposed by Slater and Narver (1995) are presented in Figure 3.2 below:

Figure 3.2: The Culture and Climate Model of Learning Organisations

(Adapted from Slater & Narver 1995, p. 67)

Slater and Narver's (1995) culture and climate model of learning organisations has been subject to more rigorous research than many of the other models of learning organisations. This is because their concepts are more identifiable, and to some extent more measurable, than other models. Slater and Narver (1995) suggest that the culture elements of a learning organisation consist of a market orientation and entrepreneurship and are characterised by climatic elements: facilitative leadership, an organic and open structure and a decentralised approach to planning.

The main achievement of these researchers was to develop a theory that combined a market-orientated culture and the learning organisation. In its broadest sense, culture refers to the integrated patterns of human behaviour, including language, thoughts, communication, actions, customs, beliefs, values and institutions of racial, ethnic, religious or social groupings (Munoz & Luckmann 2005). It is acknowledged that many of the aspects of learning organisations articulated by Senge (1990) and Slater and Narver (1995) identified in this chapter include these patterns of human behaviour and this will be discussed in the context of their bearing upon the study. More

specifically, from this study's perspective, an organisational culture is the system of shared values and beliefs that actively influences the behaviour of the organisations members.

Many commentators have attempted to specify what should comprise the learning organisation's culture. (Pedler, Burgoyne & Boydell 1994) for example, talk about an appropriate learning culture as an attribute of a learning organisation. They define it as a culture that supports shared learning from experience. However, the search for specific and tangible elements of a learning organisation culture that affects organisational effectiveness and sustainability has proven elusive. This is because, although several authors (Garvin 1993, McGill, Slocum & Lei 1992, Senge 1990, Slater & Narver 1995) have considered the notion of a learning organisation culture, there is no widely accepted theory on this issue. Further, a specific definition of an organisational culture that creates an organisational environment that focuses on learning continues to defy consensus in the learning organisation literature. Such ambiguities are not uncommon. Skyrme (1996), for example, has compared the attempt to determine the distinctive essence and qualities of a learning organisation's culture with searching for the Holy Grail.

Sinkula et al (1997) observe that no attempt has been made to empirically test an organisational learning framework that formally inter-relates organisational values, market information - processing behaviours and organisational actions. The review of the literature suggests this continues to be the case (Ferrell, Oczkowski, Kharabsheh 2008), Sinkula et al 1997 assert that these three elements are necessary to maximize the efficiency and ultimately the productivity of organisational learning (p.305).

Sinkula et al's 1997 research was the first empirical attempt to integrate some of these well established yet disparate components. They observed that that there is no 'one way' that organisations learn (p.314). An obvious second step would be to create an environment that is more instrumental to learning. This is not easy (p.315). It is here that the theories of learning organisations can be forged into the creation of an instrumental environment. Some of these theories, Senge (1992) for example, address such issues as; learning how to unlearn and a requirement of a commitment from the

top. Slater and Narver (1995) noted that the leader must communicate a well crafted, motivating vision for the organisation. These leaders must get involved in facilitating learning in their organisations (Slater and Narver 1995). As a third step, organisations should examine and attempt to improve on their market information and processing behaviours (p.315). Therefore, a definition which includes the concepts articulated by Senge (1992) and those concepts put forward by Slater and Narver (1995) makes sense.

Thus, for the purpose of this case study, a definition of learning organisation must be inclusive of a market orientation and processing behaviours such as the existence of a set of attitudes, values and practices within an organisation that support and encourage a continuing process of learning for the organisation and its members. These attitudes, values and practices should therefore be explicit in each of the concepts under review. Some commentators have identified specific concepts that seem important when describing an learning organisation culture, such as entrepreneurship and risk taking (Kanter 1989, Naman & Slevin 1993, Sykes & Block 1989) market orientation (Slater & Narver 1995) facilitative leadership (Meen & Keough 1992; Slater & Narver 1995) organic structures (Gupta & Govindarajan 1991, Woodman, Sawyer & Griffin 1993) decentralised strategic planning processes (Day 1990; Hart 1992; Mintzberg 1994) and individual development as an end in itself (Garvin 1993, Senge 1990). This is a broad sample from the literature, but does include all of the well-known writers on the subject. However, as Garavan and others point out, 'there has been little attempt to test their existence empirically or how they may contribute to learning activities within an organisation and how ultimately to enhance organisational performance' (Garavan 1997, p. 4, Jashapara, 2003).

Two specific aspects of a learning organisation's culture: market orientation and entrepreneurialism are the focus of the next two sections as these are critical concepts in the model of a learning organisation proposed by Slater and Narver (1995).

3.3.2.1 Market Orientation

Many overlaps were noted by Slater and Narver (1995) between a market-orientated organisation and a learning organisation, although the two constructs are not identical. Market-orientated organisations are said to have created strong norms for learning from customers and competitors, sharing information, setting up mechanisms for reaching consensus on the meaning of the information acquired and co-ordinating functions and tasks (Day 1994). Market orientation involves the conscious attempt to understand the psychological and social factors underlying consumer behaviour and the co-ordination of the totality of an organisation's activities to satisfy customer needs (Kohli & Jaworski 1990). This is achieved through a strong commitment to superior consumer service and the acquisition of new knowledge concerning consumers' needs.

The literature argues that learning organisations need to have a combination of elements apart from market orientation (Garavan 1995). Slater and Narver (1995), in particular, suggest that to produce a learning organisation, market orientation must be accompanied by a number of 'cultural' variables, such as innovative attitudes, absence of stifling bureaucracy, effective leadership, decentralisation and open management. According to Slater and Narver (1995, p. 67), market orientation is 'the principle cultural foundation of a learning organisation'. However, wider ranging structures and processes for developing knowledge and insights are also required. However, there has been a lack of empirical investigation examining the impact of any organisational culture types on aspects of innovation. Only a few studies have tackled some aspects of this issue in recent years (Kandemir & Hult 2005; Kusunoki, Nonaka & Nagata 1998; Martins & Terblanche 2003; Merx-Chermin & Nijhof 2005; Sarros et al. 2008). However, none of these studies has examined the links empirically.

British researcher Ron Bennett's (1998) empirical research supports Slater and Narver's (1995, p. 63) conclusion that 'although market orientation and learning organisations are similar in many ways, they are not identical constructs'. Bennett researched the relationship between market orientation and learning organisations in a sample of UK charitable organisations. The research was particularly relevant to this

study as it confirmed the writer's assumption that, at least in some organisations, the learning organisation construct is perceived as a single, coherent and holistic entity.

Market orientation is a concept that encompasses a number of important capabilities, which are shared with learning organisations. These capabilities might be regarded as crucial indicators of the likely existence of a propensity within the organisation concerned to become a learning organisation (DiBella & Nevis 1996, Skyrme 1996). For example, market orientation involves the conscious attempt to understand the psychological and social factors underlying customer behaviour and the co-ordination of the totality of an organisation (Slater & Narver 1995).

Customer research focuses on the way an organisation creates shares and uses knowledge to distinguish it from its competitors (Malhotra 2002). Here culture plays three important roles. First, culture shapes assumptions about which knowledge is important and useful. Many organisations collect inordinate amounts of information from consumers. This information becomes useless, unless the culture values the information and can convert it into useful knowledge. Second, cultural norms influence who is expected to have knowledge and whether they are obliged to share it. Some cultures are very open with knowledge, whereas others have status hierarchies that create a silo mentality. Third, the culture needs to support and encourage people to seek expertise and knowledge across boundaries (Carlile 2004).

3.3.2.2 Entrepreneurialism

Entrepreneurship in NFPOs illustrates the diversity of situations in which entrepreneurship can be found. Traditional perspectives of entrepreneurship research explore the traits, characteristics and actions of the entrepreneur (Arbnor & Bjerke 2009). These themes reveal an underlying assumption that entrepreneurship exists at the level of the individual as opposed to being a group phenomenon. In discussing entrepreneurship in the NFP context, there is a need to define exactly what the term means. Following Schumpeter (1934), Peterson (1981, p. 64) defines entrepreneurship as the 'un-programmed, innovative re-combination of pre-existing elements of

activity'. In other words, entrepreneurs see new and different ways of doing things. This way of viewing the world has many inherent risks.

The research in this area is dominated by case studies conducted in community entrepreneurship or social enterprise. Often these involve NFPOs included in larger studies, which also include for-profit organisations. Johnson and Hawke's (2002) case studies of organisations with established learning cultures is one example, funded through a National Research and Evaluation Committee grant conducted over a decade. The research was conducted by a team of researchers from the Research Centre for Vocational Education and Training, the University of Technology, Sydney and the Centre for Research in Education, Equity and Work, the University of South Australia.

The objectives of this research project were to provide advice to various National and State bodies on effective strategies for developing and maintaining a 'learning culture' within Australian enterprises, to identify the benefits organisations achieve through the development of a 'learning culture' and to develop an understanding of principles which underlie successful strategies for developing 'learning cultures'. The research project was based on the collection of data from six organisations, all of which identified as being committed to learning or having a learning culture. The Royal District Nursing Service was the only NFPO included in this study (Johnson and Hawke's 2002). Findings from the cases in the study highlighted practices such as the systematic encouragement of a climate of open communication and decision making through the enterprise philosophy or manager-modelled behaviour, which has been associated with entrepreneurial organisations.

The risk construct dominates the literature on entrepreneurship and the ability to bear risk has been identified as the primary challenge facing entrepreneurs (Knight 1921). The term risk has a very specific meaning in the literature. Dermer (1997) defined conceptual risk as the imperfect formulation of an issue or a problem, such as by using an incorrect model, making the wrong assumptions about an issue or choosing the incorrect decision criteria. It reflects a distortion in sense making. There is also administrative risk, which is defined as the risk that even a well-conceptualised plan may not be implemented properly. The final element to Dermer's (1997) definition is

environmental risk, which suggests that the environment can change even after well-conceived and well-implemented actions have been taken.

Learning organisations look closely at error and assumption as fundamental to learning and mitigating risk. Managing changing environments is strategically appealing in managing risk, although individual behaviour will always contain the potential for human error. It is proposed that a workforce that operationalises the concepts discussed in this section will be better able to reduce risk (Slater and Narver 1995).

3.3.2.3 Facilitative Leadership

It is widely acknowledged that the leadership of organisations has never been more critical (Bennis & Thomas 2002). The sustainability of many respected institutions is threatened by both global and local forces. Consequently, the literature on learning organisations embraces leadership as one of the important elements of learning organisation theory. The very first thing needed to create a learning organisation is effective leadership—that is, not leadership based on a traditional hierarchy, but rather a mix of different people from all levels of the system leading in different ways (Senge 1996). The concept of leadership is ambiguous and follows different paths depending on the context. Academic and professional literature continues to confuse definitions of leadership, despite many years of research attempting to clarify and secure a common understanding of leadership characteristics. For example, the leadership paradox of creating a shared vision for the long term and taking control in the short term (Allman 2003). Although the discussion of leadership is important as a foundation to this research, the focus here is on the actions that are perceived as conducive to leading learning organisations.

Leadership in learning organisations is, according to some writers, different to leadership in other settings (Senge 1990). Specific characteristics of leadership in learning organisations, identified by the leading writers on learning organisations, include being transformational (Bass 1997), facilitative (Slater & Narver 1995), visionary (Senge 1992), encouraging of lifelong learning (Schein 2006) and above all facilitative of organisations with the capacity to learn faster than can their competitors

(De Gues 1988, Stata 1989). These attributes are different in isolation, but coalesce to create a learning organisation. These attributes or elements are the focus of the following section.

Transformational or facilitative leadership is a concept that has been well researched over the last two decades. In examining the research literature, a number of critical characteristics of transformational leadership relevant to learning organisations emerge. The research on transformational leadership initially conducted by Burns (1978), and later validated empirically (Bass 1985, 1990, 1997). Bass and Avolio (1994) identified four key dimensions of transformational leadership that are relevant to the types of leadership seen in a learning organisation:

1. Idealised influence: Leaders gain the respect and trust of their subordinates by displaying four types of behaviour: idealised influence, inspirational motivation, intellectual stimulation and individualised consideration. They use idealised influence when they appeal to subordinates' ideals and act as role models. Idealized influence represents the ability of building confidence in the leader and appreciating the leader by his followers, which forms the basis for accepting radical change in organisation. Without such confidence in the leader, that is, in his motives and aims, an attempt to redirect the organisation may cause great resistance.

2. Inspirational motivation: This is the degree to which the leader articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation challenge followers with high standards communicate optimism about future goals and provide meaning for the task at hand. Followers need to have a strong sense of purpose if they are to be motivated to act; purpose and meaning provide the energy that drives a group forward. It is also important that this visionary aspect of leadership be supported by communication skills that allow the leader to articulate his or her vision with precision and power in a compelling and persuasive way (Bass & Aviolo 1997).

3. Intellectual stimulation: Leaders use intellectual stimulation to encourage their subordinates to think in innovative ways. The degree to which these leaders challenge assumptions, take risks and solicit followers' ideas is an indicator of

their transformational leadership style. Leaders with these traits stimulate and encourage creativity in their followers. Bass and Aviolo (1997) contend that a person is not born with these traits. However, it is up to the individual to identify opportunities for their own intellectual stimulation (Bass and Aviolo 1997).

4. Individualised consideration: Leaders achieve this by showing care and concern for each subordinate (Bass & Aviolo 1997). This involves the leader attending to each follower's needs and acting as a mentor or coach to the follower. Further, leaders need to respect and celebrate the individual contribution that each follower can make to the team because it is the diversity of the team that gives it its true strength.

These attributes of leadership have been empirically researched by Bass and Aviolio (1994). However, although the research is convincing, leaders demonstrating these ideals continue to be elusive. Some research indicates that charismatic leadership most closely resembles the transformational leadership model purported by Bass and Aviolo (1997).

Apart from its central role in transformational leadership theory, charismatic leadership has been the basis of its own distinct literature (House, Wright & Aditya 1997, Weber 1921/1947). Transformational leadership and charismatic leadership theories have much in common and complement each other in important ways. These leaders can break through learning boundaries; raise the awareness of colleagues, clients and others about issues of importance; arouse or alter the strength of values that may have been dormant or subverted; foster a climate in which 'inquiry and commitment to the truth are the norm, and challenging the status quo is expected', (Senge 1990, p. 172) and cause followers to perform beyond expected levels as a consequence of the leaders' influence.

3.3.2.4 Organisational Structures

Burns and Stalker (1961) were the first to suggest that high performing firms, competing in complex and dynamic industries, adopt an 'organic form', namely an organisational architecture that is decentralised. This concept explores the desired characteristics and the creation of an organisational structure in which learning and

innovation is encouraged. It includes notions of flat organisational structures, cross unit teams and shared leadership. For example, Slater and Narver (1995) discuss the importance of 'organic structures' in terms of their openness to external learning partnerships and extol such benefits as: rapid awareness of, and response to, competitive and market changes (De Geus 1988), more effective sharing of information (Drucker 1992) and a reduction in the lag between decision and action (De Geus 1988).

West (1994) warns that the development of a learning organisation requires a profound realignment of existing structures and socio-structures. Pedler et al. (1997) suggest that the impetus for transformation must come from within clearly defined boundaries for decision making. Responsibility and accountability are embedded in the social and organisational structure of an organisation and are very difficult to change. In terms of learning, open systems theory discards the authoritarian, bureaucratic pyramid and replaces it with a give and take relationship among all segments of a system (Mink 1998).

Mintzberg (1983, p. 262) argues that there are five basic parts to any organisation, which he defines as:

> The operating core. Employees who perform the basic work related to the product or production of services. The strategic apex. Top-level managers, who are charged with overall responsibility for the organisation. The middle line. Managers, who connect the operating core to the strategic apex. The techno-structure. Analysts, who have the responsibility for affecting certain forms of standardisation, in the organisation. The support staff. People who fill the staff units, who provide indirect support services for the organisation.

Mink (1998) described two extremes of organisation: a closed system, which is self-contained and basically bureaucratic, and an open system, which interacts with the environment and with other systems surrounding it. However, it is acknowledged that most organisations reflect varying degrees of openness, so that no single organisation is completely closed or completely open, but rather exist at some point along the open–closed continuum. Birleson's criterion emphasises horizontal hierarchies, collaboration and cooperation over line control. For example, individuals are encouraged to explore how their actions and decisions affect colleagues and external customers (1998, p. 226).

There remain questions in the literature about the extent to which organisational structure influences the organisation's members in terms of a) how they learn and develop and b) how they actually get the job done.

3.3.2.5 Decentralised Strategic Planning

Organisations that can strategically plan and organise their resources are able to meet or exceed customers' expectations. Yet the role of planning in the learning organisation has been described as being 'not clearly understood' (Slater & Narver 1995, p. 14).

Hart (1992), in his review of the strategy-making process literature concludes that, in complex and heterogeneous environments, an iterative participative approach is necessary to gain adequate knowledge and commitment from key stakeholders and strategies should be developed through a process of 'bottom-up intrapreneurship'. This means that the organisation's senior managers and executives value the inclusion and participation of grass roots members of the organisation. In this context, the role of top management is to encourage experimentation and nurture the potential of the most innovative and creative ideas. Planning at too high a level introduces too many unrelated influences into the effort to understand the nature of key relationships in the system (Senge 1990).

Narayan (1993) suggests that, through training and awareness programmes, organisations need to try to expand employees' behaviours, to develop their skills and understanding of the attitudes required to reach the goals of the organisation's mission, including the ability to work well with others, to effectively verbalise their thoughts and to network with people across all departments within the organisation. There is an opportunity through a planning process to engage people at all levels in this process. However, this may require an organisation to re-think its planning strategy.

When considering an organisation's planning strategy there are three points to be made about the planning process used by learning organisations as they make the basic shift from bureaucratic structures to open and organic organisational structures. First, they must understand that initiating planning for such a radical purpose will make many

members of the organisation fear punishment and feel threatened. Second, there needs to be a paradigm shift—from thinking about the organisation as a series of unconnected parts, to thinking about it as an interconnected whole. Third, there is a need to shift from blaming problems on external factors, to the realisation that how organisations operate and their own actions can create the problems (Senge 1990, p. 10). Further, as Covey (2004) points out, the real problem is often how we view the 'problem'. If the planning process itself is built on open interchange and the development of mutual trust, most of this defensive behaviour can be overcome. Finally, to overcome the problem of people reasoning defensively, it is necessary to identify and breakdown the ways people do so; until this happens, organisational change cannot be permanent (Argyris & Mlejnek 1991, p. 106). All organisational members must recognise that the steps they use to define and solve problems can be a source of additional problems for the organisation (Argyris 1991, p. 100).

To what extent learning organisations actually involve the organisation's members and other stakeholders in their planning processes is not clear. The literature insists that such involvement should take place. However, examples of organisations implementing this advice are a neglected area of study.

3.4 Summary

Organisations that are competent learners are called learning organisations (Sinkula, 1997). Despite the interest in organisational learning an ambiguity remains about the interrelationships among the factors that breed a desire to learn (i.e. organisational values versus information-related behaviours that facilitate learning (i.e. market information processing) versus the changes in organisational systems, procedures and market behaviours that reflect organisational learning (i.e. organisational actions). Sinkula et al's 1997 research was the first empirical attempt to integrate some of these well established yet disparate components, they observed that that there is no 'one way' that organisations learn (p.314). This was a crucial first step, but questions remain. An obvious second step would be to create an environment that is more instrumental to learning. However, as they acknowledge, forging a learning organisation is not easy (p.315).

In their conclusion Sinkula et al 1997 suggest areas for further research, particularly studies which could contribute more to knowing about the dynamics of learning values, market information processing and organisational action. Specifically, these authors suggest that future research should explore the linkages between learning orientation, market information processing behaviours and organisational performance. Hurley and Hult 1998, p.53 called for research "that pertains to market orientation and learning orientations among nonprofit organisations". Not much research in this area has been conducted to date.

Researchers have searched vigorously for empirical evidence to test the relationship between learning values, market information processing and organisational action (Keskin 2006; Lee and Tsai 2005; Ferrell et al., 2008). These authors concur in pointing out the necessary relationships between market and learning orientations, in for profit organisations, this relation is scantly evidenced in the not-for-profit sector (Mahmoud and Yusif, 2012).

This chapter explored ten concepts of learning organisations proposed by Senge (1990) and Slater and Narver (1995), which can be used to form a conceptual framework of a learning organisation. Having reviewed each of the concepts in the models of learning organisations by Senge (1990) and Slater and Narver (1995), the writer is convinced that neither, when applied in isolation, adequately represents the essential concepts of learning organisations. However, by combining these two powerful conceptual frameworks, a new and previously untested conceptual framework of learning organisations emerges. It is this conceptual framework that is used as a lens to inform the exploratory case study research in this thesis.

3.5 Presentation of the Conceptual Framework for the Case Study

The conceptual framework of learning organisations for this case study is outlined in Figure 3.3 below. This model combines the conceptual frameworks created by Senge (1990) and Slater and Narver (1995). The overarching concepts are concerned with an organisation's fundamental managerial philosophy and the concepts associated with the organisation's culture and climate. The model works as a holistic conceptual framework and represents the core concepts of learning organisations portrayed in the

literature on the topic. This model can be applied and tested in learning organisations to determine the extent to which the concepts of learning organisations exist and are operationalised.

In this research, it forms the lens through which the concepts of a learning organisation are explored. This framework enables the case study of a NFPO to determine the extent to which these concepts exist and are operationalised. By using this conceptual framework for this exploratory case study, the research question can be answered and the aims of the study are achieved.
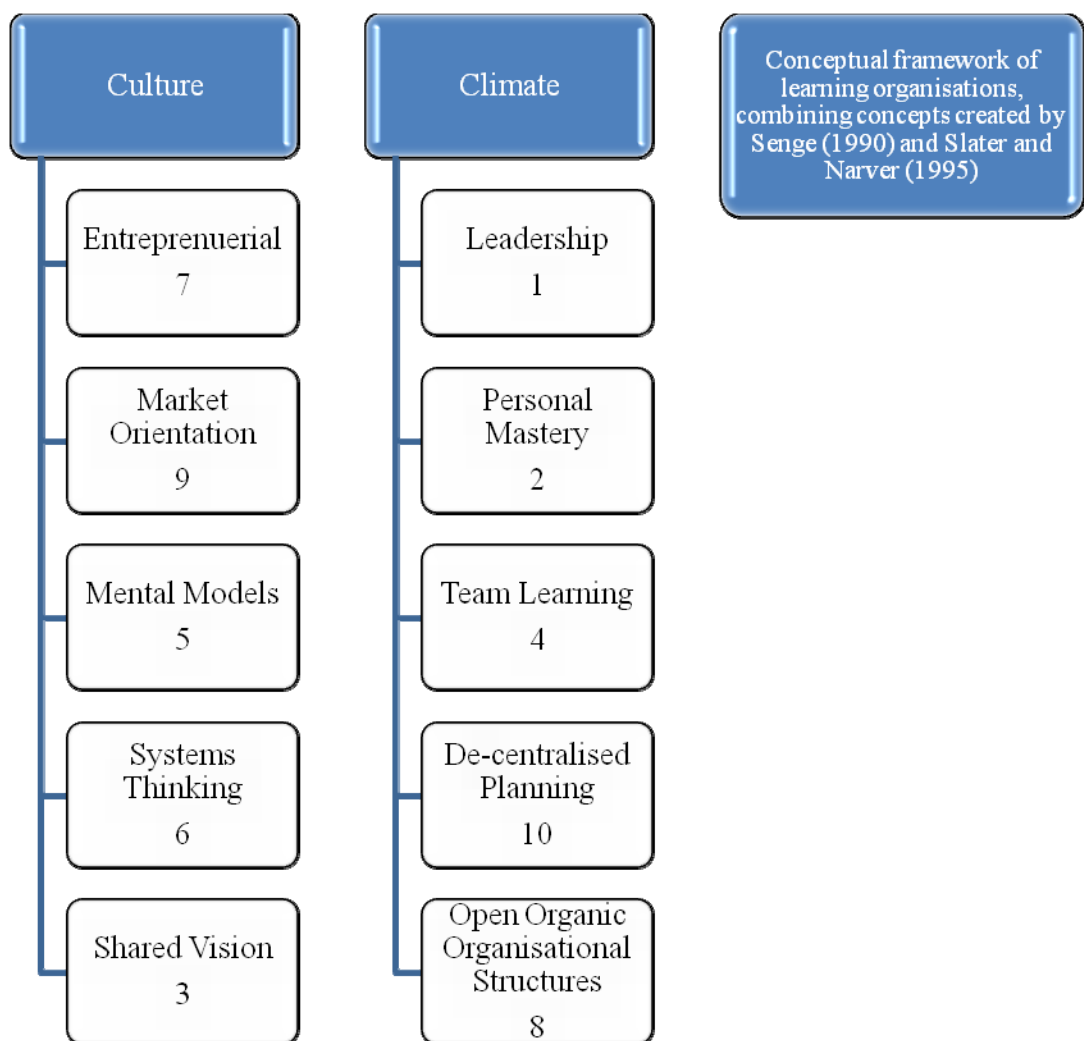
Figure 3.3: The Conceptual Framework of Learning Organisations for this Case Study

This representation of learning organisations assists researchers and practitioners to identify the key concepts of learning organisations. Labelling and understanding the combination of concepts within the framework increases the clarity of what defines a learning organisation, providing a model against which to compare possible learning organisations. The results of these determinations will enable organisations to empirically gauge the extent to which an organisation is, in fact, a learning organisation and whether the return justifies their investment in making the transition. Organisations need to see the benefits and understand the potential pitfalls before investing people, time and money in becoming a learning organisation.

3.6 Conclusion

In this chapter, it has been argued that learning organisations can be profitably approached through an examination of the interaction between their managerial philosophies and a combination of concepts from the works of Senge (1990) and Slater and Narver (1995). Further, it has been argued in this chapter that concepts and managerial philosophies of learning organisations can be brought together in a configurationally conceptual framework that has great potential for improving existing approaches to the study and operationalisation of learning organisations. One can easily disaggregate these broader arguments concerning managerial philosophies to focus primary attention on learning organisations.

An exercise such as this is valuable in making explicit some direct effects on learning levels in organisations and on how organisations approach competitiveness, innovation and change and give learning a level of objectivity comparable to that assigned to controls and incentives. Recognition of the explicit learning requirements of an alternative to traditional organisational approaches should give learning the economic recognition it has always deserved but seldom received. As is often the case, variables such as learning only gain major attention when they move from 'desirable' to 'must have'. Finally, this chapter produced a viable conceptual framework of a learning organisation, which is now used to inform the research methods and methodologies in the next chapter of this thesis. The next chapter describes the methodology and methods

that were employed to conduct the exploratory case study using the conceptual framework developed in this chapter.

Chapter Four: Method

4.1 Introduction

This chapter explains in depth the research method used to determine the extent the concepts of learning organisations, articulated by Senge (1990) and Slater and Narver (1995), exist and are operationalised in a study of a NFP learning organisation. The application of the conceptual framework developed from the work of these authors and presented in Chapter Three to the case study design and the use of different data sources is also discussed, as are the ethical considerations in the context of this study.

This chapter sets out the case study method and the application of the conceptual framework developed in Chapter Three. The study design is presented in three phases. The first phase is the preparatory phase of the study and addresses such issues as: the NFPO as a single case or 'bounded system'; the use of different sources of data; informed consent; confidentiality; gaining ethical approval and consent to conduct the study; and the recruitment of the participants. The second phase is the action phase of the study and addresses the data collection methods employed. The third phase is the data analysis and review phase and addresses the processes for recording, analysing and interpreting evidence, relating it to the conceptual framework. Finally, the chapter concludes with a discussion of methodological rigor and ethical considerations.

4.2 Case Study Method

A case study strategy was chosen to obtain rich, in-depth information about the issues being studied to highlight the nature of learning organisations. A NFPO was chosen as the sample for this case study. The NFPO selected for this case study is one of the oldest and largest charities in New South Wales (NSW) Australia. It has a large number of community-based activities, managers and staff who provide support and services to a large number of disadvantaged people in a variety of settings. When making decisions

concerning the most appropriate research strategy for a case study, the researcher was required to consider the type of research question posed, the degree of control the researcher had over actual behavioural events and the degree of focus on contemporary as opposed to historical events (Yin 2009 p. 8).

The type of research question posed in this case study was a 'what' type of question. "To what extent do concepts of learning organisations exist and to what extent are such concepts operationalised at the NFPO."

This type of question is a justifiable rationale for conducting an exploratory study, as the goal is to develop pertinent hypotheses and propositions for further research into the topic of learning organisations. In this case study, the researcher had a degree of control over and had access to actual events. The researcher had at least some degree of control over the selection of and access to the participants for the study and access to the organisation's documentation. The concepts concerning learning organisations were researched as a contemporary phenomenon at the NFPO and were the primary focus of this study.

When researching contemporary phenomena, Yin (2009) suggests exploratory case study is an appropriate research method. This method was adopted for this study because it is an empirical inquiry strategy, which investigates contemporary phenomena within its real-life context, when the boundaries between phenomena and context are not clearly defined (Yin 2009, p. 13). Therefore, this method was deemed appropriate for this study, as the boundaries between the concepts of learning organisations are not clearly evident within the real-life context of the NFPO.

Unlike other methods, contextual conditions are highly pertinent to the case study approach and central to understanding the phenomenon to be studied (Yin, 2009). Consequently, the case study method is used in this study because the researcher wanted to include the contextual conditions that existed in the NFPO, believing they would be highly pertinent to the study of a learning organisation. To this end an abductive or systematic combining approach was incorporated into the research design. The main characteristic of this approach is a continuous movement between an

empirical world and a model world (Dubois and Gadde 2002 p.554). Dubois and Gadde (2002) describe the abductive approach as that of systematic combining, which is a process where theoretical framework, empirical fieldwork and case analysis evolve simultaneously.

Case study, like other research strategies, is a way of investigating an empirical topic by following a set of pre-specified procedures. These procedures dominate the remainder of this chapter.

4.2.1 Application of the Conceptual Framework for this Study

In Chapter Three of this thesis, a comprehensive and flexible analytical conceptual framework was used in the development of this case study. The case study was expected to identify factors that contribute to, or hinder, the extent to which the concepts of learning organisations existed and were operationalised in a NFPO. Therefore, this framework was developed to be adaptable to the reality of developing learning organisations and was aimed to act as an analytical-methodological tool, to enable the researcher, when conducting the case study, to identify the factors that affect the learning organisation and explain the existence and operationalisation of these concepts (Blaikie 1993). The approach also enables comparisons between the concepts of learning organisations and draws lessons that are relevant beyond the case itself.

When setting up the case study, the conceptual framework was helpful in documenting the issues and selecting the participants the researcher would come to focus on. This, in turn, was helpful when detailing the setup of the case study (Dubois and Gadde 2002). For example, it served as a basis for setting up the questions for the interviews with the participants and the documents, which needed to be scrutinised. Conceptualising this frame of reference allowed the researcher to have a better overview of the subject and proved a useful tool in discussions about the study (Blaikie 1993). The visual presentation of the concepts allowed the researcher to identify any relations between the concepts and participants involved, instead of just clustering them by theme.

The conceptual framework was not a static entity; it was continually reviewed to represent the evolving insights of the researcher (Dubois and Gadde 2002). The conceptual framework was thus the lens through which the exploratory research design was developed to address the research questions and it influenced the decisions concerning the sources of data and how the data would be collected and analysed (Blaikie 1993). For example, the questions used in the in-depth interviews were based on the concepts depicted in the conceptual framework. The documents were scrutinised for any references to the concepts of learning organisations depicted in the conceptual framework. The data collected from in-depth interviews and documents were subjected to a process of in-depth analysis, which will be outlined in the data analysis section of this chapter.

Merriam (1998) made some important observations about data collection and makes the point that data are not objective things awaiting collection. What comprises 'data' is determined by the meanings that are attributed to different types of information, be they in-depth interviews, relevant documents or other sources of data. This insight leads Merriam (1998) to conclude that decisions about questions for research, the participants selected for the study and the conceptual framework all determine what become 'data' and how it can be collected. This exploratory case study explores the meaning of the data in this study through a systematic and thorough analysis of the sources of data collected for this research. The conceptual framework was highly relevant to the data collection and data analysis aspects of this case study (Dubois and Gadde 2002).

The conceptual framework developed in Chapter Three was used to provide a lens through which the concepts of learning organisations could be viewed in terms of how the data collected concerning these concepts, was analysed and interpreted (Ellis and Crookes 2004). The conceptual framework is therefore depicted as the starting point of the research design for this study. The case study research design was conducted as a three-phase process each phase is presented in the following sections.

4.2.2 The Three Phases of the Exploratory Research Design Used in this Study

The three phases of the case study design delineate the various stages of this research.

These phases are the preparatory phase, the action phase and the data evaluation and review phase. Each phase of the research involved a set of preparations, actions and evaluations. Each of the three phases is now presented in detail, providing an auditable trail of methods used in this case study.

Preparatory Phase   Action Phase   Evaluation and Review Phase

<----------------------------------->   <----------------------------->   <----------------------------->

Phase One—Case Study Design   Phase Two—Data Collection and Analysis   Phase Three—The Method Used for Data
        Conceptual Framework   Conduct Interviews   Evaluation and Review
        Selection of Case   Collect Documents
        Sources of data

Figure 4.1: The Three Phases of the Exploratory Case Study Research Design using an Abductive Approach

Figure 4.2: A Schematic of the Exploratory Case Study Research Design

4.2.3 Phase One—Preparation for Conducting the Research

Phase One is the preparatory phase of the research design and presents the decisions and requirements that were necessary for the research to be conducted. One of the first decisions to be made was defining the parameters of the case study. The second decision concerned the sources of data to be collected for the study. The requirements to conduct the study included gaining approval and issues concerned with the participant's consent and confidentiality. Finally, this phase involved the decisions concerning the recruitment of the participants for this study.

4.2.4 Selecting the Case: The NFPO as a Bounded System for the Study

Yin (2009) argues that no decision in case study research design is more important than defining the unit of analysis, for the object of the study determines the boundaries within which the research is done. The unit of analysis in this study is the NFPO concerned. The unit of analysis or 'case' was chosen 'to maximize what we can learn' (Stake 1995, p. 4) about the extent to which the concepts of learning organisations exist and are operationalised in a NFPO. The unit of analysis, in this case the NFPO, can be seen as a 'bounded system' (Creswell 1998, Merriam 1998) in that it marks out the parameters of the research and influences decisions concerning the rigor and trustworthiness of the research. In this case study, the unit of analysis is related to the way the initial research questions were defined.

The research questions were defined on the proposition that the phenomena of learning organisations existed and were operationalised within the parameters of the NFPO. This proposition is based on the expectation that a case contains the phenomenon under study. The NFPO stated (Annual Report 2002) that it was a learning organisation and wished to demonstrate this through an exploration of the common concepts of learning organisations identified in the literature. It was not the intention of this exploratory case study to generalise its findings across a number of cases to answer the research questions. If that

were the case, a quantitative research design would have been more appropriate (Stake 1995). When conducting studies in qualitative research, the number of units for analysis is often taken to be less important than the quality of the data collected. Indeed, the argument for one good case, rather than several poor ones, is often made (Berg 1988, Hakim 1987). The selection of one case was therefore a critical decision, as it not only set the boundaries for the research, but also guided the strategies that were used to ensure comprehensive data collection and rigor.

4.2.5 Selecting the Sources of Data: In-depth Interviews and Documents

Yin (2009) indicates that the evidence for case studies may come from six sources: 'documents, archival records, interviews, direct observations, participant observation and physical artefacts' (Yin 2009 p.101) and concludes that the case study method, by its theoretical nature, calls for more than one data collection strategy.

Case studies can therefore be based on any mix of the above types of evidence and, according to Yin (2009 p. 19), need not always include direct, detailed observations as a source of evidence. The imperative to conduct direct, detailed observations of the participants, separate to the in-depth interviews, as a source of evidence for this case study was an unnecessary additional procedure, which would probably add little to the overall findings of this research. The data collected from the in-depth interviews and documents were believed by the researcher to be the most reliable and realistic sources of data for this study because the researcher had a degree of control over the method of their collection and analysis within the confines of this study.

The collection of two or more distinct sources of data and then using them to contrast and compare the information is known as data triangulation (Yin 2009). Different sources of data in this study enabled the concepts of learning organisations to be studied from more than one perspective, for example, the inclusion of senior managers and frontline staff and the inclusion of organisational documents. The same concept perceived from different

sources, when added together, provides a more holistic perspective. One analysis of the case study method found that those case studies using different sources of evidence were rated more highly, in terms of overall quality, than those that relied on only single sources of information (Yin, Bateman & Moore 1993).

The collection of information from in–depth interviews and the access to documents required approval and consent. These two permissions are the subject of the next section.

4.3 Gaining Ethical Approval and Consent to Conduct the Study

Two specific permissions were required for this study. The Board of Management of the NFPO had to grant permission for the study to be conducted and ethics approval from the University of Wollongong was required to conduct research on human subjects. A submission was made to the NFPO's Board of Management seeking permission to conduct the study. The submission set out the research question and aims summarised the literature that supported the study and gave a brief outline of the methods to be used. Written confirmation that the study was approved by the Board of Management was received within four weeks. No restrictions were, at that time, placed upon access to relevant staff or documentation. The University of Wollongong's Human Research Committee granted permission to conduct the research using human subjects (HE02/256). Both of these approvals required the researcher to address issues of informed consent and confidentiality.

4.3.1 Informed Consent

Once the relevant approvals to conduct the research had been received, the potential participants were informed, via the organisation's widely distributed newsletter, about the intention to conduct the study. Expressions of interest to be involved in the study were called for and received by the researcher. A letter of introduction was given to all participants, which clearly outlined the research topic and that all participation would be entirely voluntary. The right to withdraw at any time was explicitly stated, as were the

contact details of Wollongong's Human Research Ethics coordinator and my academic supervisor (see Appendix A).

4.3.2 Confidentiality

The confidentiality and privacy of the participants has been maintained throughout the study. Only the researcher and academic supervisors have access to the tape recorded in-depth interviews, transcriptions, notes taken at meetings and documents collected for this research. All records will be kept at a private, secure location for a period not less than five years. The records of names and the identification codes of the participants are kept in a separate locked file to the transcripts of the in-depth interviews.

The researcher stated in the participant information sheet (displayed in the newsletter), that all aspects of the study would respect the confidentiality of participants and that those electing to progress further in the study could withdraw at any time. This was further reinforced by each participant being provided with a research information sheet and consent form (see Appendix B). Respondents to the recruitment process were informed that tape recorders would be used to tape the in-depth interviews and that these would be switched off when requested.

The results and themes from the research have been and will continue to be disseminated in relevant professional journals and at relevant professional conferences. To ensure the confidentiality of the information given by the participants, the participants are de-identified and codes have been provided for all participants who participated in the in-depth interviews. Once the ethical approval and permission to conduct the study at the NFPO were obtained by the researcher, the recruitment of the participants for the study commenced.

4.4 Selection of the Participants for the Study

Recruitment processes were undertaken by the researcher to source the data required for this case study. The sources of data determined who needed to be recruited for the study. The first step was to source data from the in-depth interviews. The strategies used to select the participants for the study are now outlined.

Patton (1990) offers 16 different strategies to help the researcher think about selecting information rich subjects. Such strategies include random sampling, sampling typical cases, purposeful sampling, snowball sampling and convenience sampling. The researcher evaluated each of the 16 strategies, in an attempt to select the most appropriate strategy for the case study, while remaining cognisant of issues relating to cost and convenience. By eliminating some of the strategies recommended by Patton (1990) for selecting participants for this case study—for example, convenience sampling or snowball sampling—the researcher decided to explore purposeful sampling as a suitable sampling method for this research.

Purposeful sampling whilst restricting the study to participants who met particular selection criteria also accommodated another important consideration: to ensure that the participants represented views of the organisation from different vantage points. The inclusion of both senior managers and frontline employees provides the research with the perspectives of two of the organisations significant employee groups.

Another important consideration is to ensure that the participants represented views of the organisation from different vantage points. The inclusion of both senior managers and frontline employees provides the research with two of the organisations significant employee groups.

It was the researcher's intention to source contextually rich data, through employing the most effective strategies for that purpose. On balance, purposeful sampling afforded the

best strategy to achieve this end. The participants in this study were recruited from within the NFPO. The next section presents the criteria for their inclusion and a description of how they were recruited.

4.4.1 The Criteria for Inclusion of Participants in the Study and How they were Recruited

Semi-structured in-depth interviews with the managers and staff at the NFPO were employed to investigate the existence and operationalisation of the concepts of learning organisations. The structure of the interviews was matched with the ten major concepts that make up the conceptual framework of learning organisations developed for this case study. Data was collected from 20 interviewees, who included an equal number of senior managers and frontline staff who met the recruitment criteria. Relevant organisational documents pertaining to learning organisations were also collected and scrutinised as a further source of data for this case study.

The case study therefore included ten senior managers and ten frontline staff who met the criteria for inclusion in the study. The criteria for inclusion in the in-depth interviews are explained below.

4.4.1.1 The Recruitment of Senior Managers

Senior managers, being the minority group within the organisation, were purposefully targeted by the researcher. The researcher arranged for them to be contacted by an intermediary to ask them if they would be interested in participating in the study.

Criteria: Senior managers (male or female), responsible for multiple or state-wide programmes employed by the case study organisation for at least 12 months.

4.4.1.2 Recruitment of Frontline Staff

The frontline staff were canvassed via the organisation's newsletter and asked to contact the researcher if they would be interested in participating in the study.

Criteria: Full-time (male or female) staff in frontline positions—that is, in frequent contact with clients, patients or consumers. Must have been employed for a minimum of 12 months and have completed induction and orientation.

It was important in this study to avoid 'pockets' of staff within the organisation as this could severely bias the findings. Steps were therefore necessary to achieve as much variation in the participants as was possible. All participants needed to be recruited from a variety of settings. Therefore, wherever possible, no two participants were recruited from the same site, programme or physical location. It was assumed by the researcher that all of these participants were in a position to give an informed opinion on whether or not the concepts of learning organisations existed and were operationalised, by virtue of their working in some area of the NFPO's operations.

4.4.2. Recruitment Issues: Achieving Maximum Variation

The strategies used to recruit the participants for the case study were seen as a way of maximising the opportunity to collect a range of diverse views on the concepts of learning organisations. The diversity of the workplaces and of the participants ensured that the sampling strategy did not deliberately select an area that might be perceived as unusual or extreme in the context of the case study. This was because the researcher was able to select participants from a broad sample of staff, by selecting from different sites and different programmes within the organisation.

While the sampling strategy employed by the researcher did not preclude participants who had extreme or deviant views, neither did the researcher specifically set out to seek such

participants. Sampling extreme or deviant subjects seems useful when the researcher wishes to enlighten decision makers, with information about particularly unusual participant responses that may be troublesome or enlightening. The researcher therefore did not deliberately exclude sampling politically important or sensitive participants. Participants were recruited solely on the basis that they met the recruitment criteria, were from a variety of settings and were likely to contribute to the research.

Therefore, the employees recruited to participate in the study represented a broad span of the NFPO's programmes and services. These programmes and services included health, disabilities, employment, corporate services, aged care and mental health. The next phase of the research design concerning the actions required to conduct the research could now be enacted. These actions are described in the following section.

4.5 Phase Two—Actions Required to Conduct the Research: the Research Design for the Data Collection Methods Used for this Study

Phase Two of the research design involved the decisions concerning the data collection methods used for the research, in-depth interviews and organisational documentation. This section presents some of the issues concerning the potential for bias and describes how the conceptual framework and research paradigm influenced the decisions related to the data collection methods. The section concludes with a description of the data collection instruments and their use.

The logic of the case study design incorporates specific approaches to data collection. The data collection methods and the methods used to analyse the data used in this study are explained in this section. The decisions made by the researcher regarding the collection of evidence to inform a study affect the integrity of the research (Yin, 2009). This section explores the issues of research integrity faced by the researcher in this study, commencing with the potential for bias.

4.5.1 Potential for Bias

As cognitive dissonance theory reminds us (Festinger, Riecken & Schachter 1956), most people operate with a double standard when weighing evidence. They more readily accept new information that is consistent with an existing mindset and employ a much higher threshold for giving serious consideration to discrepant information that challenges existing theories. Information gathered from the participants in the study reflects their perceptions, rather than comprising incontestable truths. The participants had been told they worked in a learning organisation, which may have influenced their existing mindset, making it a difficult one to challenge. For this reason, an abductive or systematic combining approach (Dubois and Gadde 2002) to the case study research was adopted.

4.5.2 Adopting a Systematic Combining or Abductive Approach to Case Research

Systematic combining as a proper case study approach is inspired by what is referred to as 'abduction' (Peirce 1931). The main characteristic of this approach is a continuous movement between an empirical world and a model world (Dubois and Gadde 2002 p.554). Dubois and Gadde (2002) describe the abductive approach as that of systematic combining, which is a process where theoretical framework, empirical fieldwork and case analysis evolve simultaneously.

The systematic combining proposed by Dubois and Gadde (2002) is an argument for a stronger reliance on theory than is suggested by true induction (p.555). This is exemplified by the researcher constantly going 'back and forth' from one type of research activity to another and between empirical observations and theory; this enabled the researcher to expand his understanding of both theory and empirical phenomena. The preliminary conceptual framework described in chapter two of this study consisted of articulated 'preconceptions' derived from the literature on learning organisations. Over time it was developed according to what is discovered through empirical field work, as well as through

analysis and interpretation. "This stems from the fact that theory cannot be understood without empirical observation and vice versa" (Dubois and Gadde 2002 p.555).

The use of existent theories can be used to strengthen case study research. As Easton (1995) points out: Some case studies are simply rich descriptions of events from which the readers are expected to come to their own conclusions. Others are really examples of data that appear to provide, at best, partial support of particular theories or frameworks and are used in a quasi – deductive theory testing way. A third kind employs multiple "case studies" in a way that suggests that they are relying on some notion of statistical generalisation (Easton 1995 p. 379).

Weick (1979) identifies in a criticism relating to the first point as "many pseudo observers seem bent on describing everything and as a result describe nothing" (p.38). His suggestion for addressing this issue is for the researcher to "invest in theory to keep some intellectual control over the burgeoning set of case descriptions" (p. 38). The criticism of Easton's (1995) second point is addressed in part through a stronger reliance on theory. When it comes to credibility of case studies, case studies cannot build on statistical inference. They have to rely on analytical inference. In systematic combining the sampling procedure becomes what is close to what is defined as theoretical sampling in grounded theory (Glaser and Strauss 1967). The main concern with this kind of sampling is to arrive at an appropriate matching between reality and theoretical constructs. In this study sampling and data analysis tasks were overlapping and interwoven with mutual impact.

The third point is that of 'quasi-deductive theory testing' applied in some case studies. In deep probing case studies, theory generation and confirmation are inseparable. Therefore, the credibility of such studies has to be determined by some other means (Dubois and Gadde 2002 p.559). In this study, the in-depth interviews the participants were afforded the opportunity to add more information than those elicited from the in-depth interview questions alone.

Fig 4.3: The systematic combining approach compared to deductive and inductive approaches

Stage	Deductive	Inductive	Systematic combining
1.	Develop theoretical framework	Area of enquiry identified- no theoretical framework	Develop theoretical framework based on concepts
2.	Variables identified for relevant concepts	Participants identify concepts and explain the relationship between them	Some concepts identified others can be identified by the participants
3.	Instrument Development	Broad themes for discussion identified	Researcher converts the apriori theoretical framework into atheoretical questions
4.	Participants give answers to questions	Participants discuss general themes of interest	Participants discuss the seemingly general questions and identify concepts which are meaningful to them and explain the relationships between the concepts
5.	Answers analysed in terms of prior theoretical framework	Researcher develops theory on purely inductive basis	Participant data analysed according to existing theory. Or theory is developed on and inductive basis – without regard to the existing theory
6.	Outcome Theory tested according to whether hypotheses are accepted or rejected	Outcome Theory developed	Outcome Either Existing theory is adapted Or Alternative theoretical framework is presented.

4.5.3 The Researcher's Own Potential for Bias in this Case Study

The potential for bias in another sense was that, from the review of the literature and the conceptual framework developed for this study concerning learning organisations, the researcher was liable to have an optimistic attitude towards the existence and operationalisation of the concepts of learning organisations at the NFPO.

Therefore, it was vital to set up data collection and analysis protocols with enough structure to give an opportunity for participants to express their thoughts freely, while still enabling depth and richness of data to be sought. Further, it was important to remember that common, easily found or generally accepted realities are not necessarily significant or right (Socrates cited in Russell 1961).

The coding systems used in the analysis of the data were also required to have the capacity to permit the researcher to make objective assessments of the data while allowing themes and ideas to emerge from the data (Dubois and Gadde 2002).

Although there was an inclination towards optimism, stemming from the literature review of the concepts of learning organisations, the researcher was prepared for the data 'to do the talking' and was therefore accepting of whatever themes emerged.

4.5.4 The Conceptual Framework and How it Influenced Data Collection in this Study

The conceptual framework developed in Chapter Three of this thesis had a major influence on the decisions concerning data collection in this case study. Case studies are about conducting research in real-life contexts. The decision to conduct in-depth interviews concerning the concepts of learning organisations was based on the need to elicit information regarding their existence or otherwise at the NFPO. The conceptual framework

provided a clear and unambiguous structure for framing the questions asked of the participants at their in-depth interview.

The conceptual framework also provided a structure for the decisions concerning the collection of documentary evidence. Organisations like the one in this case study produce an amazing amount of documents both in hardcopy and electronically. Without a clear frame of reference for which documents to select, the task of eliciting the most relevant information would have been incredibly difficult and likely impossible for a single researcher on a limited timeframe. Even with the aid of the conceptual framework, the way the data for this case study was collected had to be determined further. Therefore, instruments to aide in the collection of the data were developed by the researcher for this case study.

4.5.5 Data Collection Instruments

Ten concepts of learning organisations were the focus of the study. Data collection instruments consisting of a set of questions concerning the ten elements was developed for the in-depth interviews. A documentary evidence collection criteria sheet was developed to manage the documents scrutinised in this study. In-depth interviews with managers and staff, together with the collection of relevant documentation, were considered to be appropriate ways to gather contextually rich information pertinent to the research problem. The data gathering methods selected as appropriate for the case study were informed by the conceptual framework developed in Chapter Three.

The in-depth interview questions (see Appendix C) related to the ten concepts of learning organisations presented in the conceptual framework. Each question had a further two sub-questions. The sub-questions were used as a prompt to assist the participants. The collection of documents was attained through the researcher having access to the organisation's documentary archive. Once a document was deemed relevant to the study, it was catalogued in the documentary evidence analysis criteria sheet (see Appendix D).

Once these instruments for the collection of data had been developed, an overall strategy was developed to capture the data in each of these two domains. The following section outlines these methods in detail, justifies the strategies employed in their use and begins with the in-depth interviews followed by the collection of documentary evidence.

4.5.6 Conducting the In-depth Interviews

Interviewing is a well-established and tested research tool, which many research methods books discuss in detail (Crabtree & Miller 1999, Crookes & Davies 2004, Denzin & Lincoln 1998, Hammersley & Atkinson 1995, Lincoln & Guba 1985, Mason 1996, Morton-Williams 1988, Sudman & Bradburn 1982, Yin 2009). In-depth interviews are a specific interviewing technique designed to maximise opportunities for mining context rich information. The questions for the in-depth interview schedule were designed to generate deep and meaningful information, pertaining to what the participants thought of the elements of learning organisations. Therefore the in-depth interviews needed to be structured to maximise the opportunity for eliciting the most relevant and meaningful information.

Each interview lasted an average of 60 minutes. Participants were invited to take a break halfway through. This meant that each question took an average of 5–6 minutes to be answered, resulting in over 20 hours of recordings, which needed to be transcribed. The interview questions were designed to elicit frank and open comments from the participants. Anonymity of the participants' responses was assured through de-identifying the transcripts, coding the tapes and securing all information in a private, secure place, away from the NFPO.

The capacity of the researcher to demonstrate empathy and sensitivity was tested. It was not unusual for participants to reflect upon their values, beliefs and assumptions. This process needed to be managed skilfully and sensitively. When this was successfully achieved, very deep and meaningful insights emerged.

In-depth interviewing, as a data gathering technique, was used extensively in the case study method for this study. According to Yin (1994, p. 82), 'one of the most important sources of case study information is the interview'. Glesne and Peshkin (1992, p. 65) assert, 'for qualitative enquiry, the interview is rightly conceived as an occasion to get to the bottom of things', or as Patton (1990) asserts, the interview enables the interviewer to find out what is on someone else's mind.

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The capacity of the researcher to demonstrate empathy and sensitivity was tested. It was usual for participants to reflect upon their values, beliefs and assumptions. This process needed to be managed skilfully and sensitively. For example, listening to understand, as

opposed to reacting to what was said. The researcher gave reassurance concerning confidentiality and privacy of the information. When this was successfully achieved, very deep and meaningful insights emerged.

In-depth interviewing, as a data gathering technique, was used extensively in the case study method for this study. According to Yin (2009 p. 106), 'one of the most important sources of case study information is the interview'. Glesne and Peshkin (1992 p. 65) assert, 'for qualitative enquiry, the interview is rightly conceived as an occasion to get to the bottom of things', or as Patton (1990) asserts, the interview enables the interviewer to find out what is on someone else's mind.

'Overall, interviews are an essential source of case study evidence because most case studies are about human affairs' (Yin 2009 p. 108). The in-depth interview questions were developed with this in mind. The questions were designed to enable the participants to question some of their taken for granted versions of their workplace in the context of learning organisations, provided they felt safe to do so.

The research question is concerned with the extent the concepts of learning organisations exist and are operationalised at the NFPO. The aims of the case study seek to answer this question through the insights of the senior managers and staff at the organisation. Initially, the interviewer developed a series of draft questions based on the concepts identified in the study's conceptual framework. The questions were then trialled in a pilot study (see section 4.7). These questions were further refined following feedback from the participants in the pilot study.

The in-depth interview was a particular data gathering process for this study, designed to generate personal narratives (Dubois and Gadde 2002) that focus on the detail in the responses to specific research questions (Blaikie 1993). The skill required of the interviewer was an important consideration. The researcher possesses considerable experience in conducting personal and intimate interviews in professional and information

gathering contexts this, along with the research questions, proved to be an asset when conducting the in-depth interviews for the study. The second source of data for this case study was from the NFP's documents and this is the focus of the next section.

4.5.7 Collecting Documentary Evidence

The data collection for this study was complete when, in addition to the in-depth interviews, the documentary sources of information were examined. This final source of evidence will be used to corroborate the evidence from the other source because, for a case study, 'the most important use of documents is to corroborate and augment evidence from other sources' (Yin 2009, p. 103). This use of documentation is common in case studies.

The advantage documentation has over less tangible forms of information is that it can be reviewed repeatedly and has not been created specifically for the case study. The documentation usually forms part of an organisation's permanent record. It is unobtrusive, usually exact, gives dates and details and can cover a broad range of topics over a long timeframe. However, some weaknesses have been identified by researchers in the use of documentary evidence as a source of data for case studies.

Weaknesses in the use of documentation in case studies identified by Yin (2009) are in respect to obtaining and analysing documented information and include no access to, or difficulties in retrieving documents; biased selection of material by the researcher or reporting bias of the researcher (Yin 2009, p. 102). To avoid these problems, the researcher developed strategies for gaining permission to access and retrieve documentation, for the selection of material and for interpreting and reporting this source of data.

Although access to documentation was unrestricted, the researcher did not seek to access documents of a personal or private nature concerning individuals, such as personnel records. As a result, access to documentation such as minutes of meetings, reports and communications was freely given.

The researcher accessed minutes of management and staff meetings covering a twelve-month period 2004-5. This timeframe was to avoid the possibility of large gaps in the continuity of the information, sometimes experienced in research projects with longer time spans (Hakim 1987).

Access to minutes of strategic, operational and scenario-planning meetings over the same timeframe was also requested. It was acknowledged that various stages in the case study's planning cycle might influence the level and scope of planning at any particular time. These documents are central to the NFPO's operations and provide unique insights regarding the organisation's culture and climate in the context of learning organisations.

Other documents included in the study were generally publicly available and some were historical in nature (such as annual reports, newsletters reports and press releases). In the course of this study, if a document was considered to be of an overtly sensitive nature by the researcher, specific permission was obtained to use the document.

The reporting of the documents selected as relevant to the study was quite straightforward: any document that referred to a concept of learning organisations was recorded and reported (see Appendix E). Protocols were developed to ensure that each of these instances was captured and accurately recorded in the database.

Phase Three of the case study research design is concerned with the strategies used to analyse and interpret these sources of data and is explained in the following section.

4.6 Phase Three—Data Review and Evaluation: Strategies Used to Analyse and Interpret the Data

Phase Three of the research design concerns the strategies used to analyse and interpret the data. The study design in this phase required the data collected in Phase Two of the research design to be subjected to robust strategies for its recording, analysis and

interpretation. The purpose of this section is to present these strategies.

With each of the data gathering methods—the recording of the semi-structured in-depth interviews and the documentary evidence—the data recording strategy was dependent on the particular source of data being recorded. The strategies used to record the data are the focus of this section.

4.6.1 Data Recording and Analysis

The data recorded in the in-depth interviews was intended to reflect the responses by the participants to the in-depth interview questions designed around the conceptual framework of a learning organisation presented in Chapter Three. Strategies were required to manage and organise the transcripts of the in-depth interviews (Dubois and Gadde 2002).

Every recorded in-depth interview was transcribed verbatim from each tape and was then entered into the N Vivo database for later analysis. These transcriptions included every intelligible utterance, including those of the researcher (Strauss and Corbin 1990). These detailed accounts help contextualise the emphasis of words and statements (Strauss and Corbin 1990). For example, capitals were used to indicate raised voices – brackets indicated when the participant may have been upset. At the time of the in-depth interview, if any ambiguity existed in the researcher's mind, individuals were invited to clarify and confirm their comments at the interview.

The documents needed to be retrieved and catalogued for their relevance to the research topic. The extracts from documents concerning the concepts of learning organisations were entered into the N-Vivo database in an unadulterated form. Each extract from a document was referenced to the source document and then recorded.

All of the information collected in the in-depth interviews took the form of written notes and audiotapes. The notes and the transcripts of the tapes were de-identified and given a

unique code and then entered into N-Vivo.

Working from the conceptual framework of learning organisations, developed in Chapter Three of this thesis, the researcher established a project to manage the in-depth interview data and documentary evidence. The software required for this purpose needed to have the capacity to handle the in-depth interview transcripts and the documents selected for the study. This data was collected in an unedited form as was possible and entered into N-Vivo.

Once all the data collected for this study was captured in the database, the researcher began the task of analysing and interpreting this carefully recorded data.

4.6.2 Analysing and Interpreting the Data

The data gathered through in-depth interviews and documentary evidence needed to be carefully analysed and interpreted. This was a period during which the researcher became immersed in the data. The data was subjected to three methods of coding: open coding, axial coding and selective coding (Strauss and Corbin 1998), which are described in this section.

4.6.2.1 Analysing the Data

The process of analysis began by entering the raw data from the in-depth interviews and the documentary sources of data into the N-Vivo database under ten broad headings, which reflected the case study's conceptual framework. In this summative analysis phase (Muncey et al 2010) this technique explores what gives an experience its special significance, disclosing core concepts by which data can be recognised and understood. In this phase the researcher had to make judgments about the quality of the data that had been entered into the database.

This quality aspect was considered in terms of the integrity of the different types of data collected and its capacity to relate to the research question and to be collaborated by the other source of data. While most of the data that was collected was able to be included in the study, some was rejected because of its lack of relevance or its untrustworthiness. None of the transcripts of the in-depth interviews were excluded.

Guba (1981) proposed a model for assessing the trustworthiness of qualitative data. The elements of that model are: truth, value, applicability, consistency and neutrality. The truthfulness of the organisation's documentation, if in doubt, was checked wherever possible by contacting the writer. The value, applicability and consistency of documentation were assessed in terms of its authorship, distribution and feedback in subsequent documents. Neutrality was assessed through seeking the opinions of trusted colleagues. Each source of data analysed in this study was required to satisfy the stringent criteria in Guba's model. Once found to be relevant and trustworthy, the data was deemed eligible for coding.

As a way of demonstrating the transparency of coding and the development of themes, it was decided to use N-Vivo as the principle tool to aid the analysis. The potential benefits from utilising this tool appeared promising. N-Vivo had the functionality identified by the researcher as being required for this research—that is, free and indexed coding structures, a memo facility, the ability to search in a free format manner, the ability to change coding easily and the ability to import and export documents from Microsoft Word.

There were two further reasons for using this programme, the first of which was to record the data. Secondly, the programme's capacity to cope with the amount of data needed to be organised and managed in a relatively large qualitative research project. The range of data sources was a good indication of the amount of data that this research would generate. Wolfe et al. (1993, p. 638) indicated that:

> The volume and complexity of unstructured qualitative data can result in pressures to settle for simple fixed indexing systems and can encourage

themes that emerge early in the research process to dominate the analysis and therefore, may be truncated, prior to achieving redundancy and closure.

The N-Vivo computer package allowed the researcher to re-search the coded data more thoroughly as new themes and ideas began to emerge. An increased use of textual analysis was also facilitated, enabling a possible source of themes outside the initial coding. This is often seen as the strength of computerised systems as the initial coding may reflect researcher expectations, but further textual analysis is more likely to throw up unexpected findings (Siedal 1997). Further, textual analysis in this case study was conducted through three levels of data coding, which are described in detail in the following sections.

4.6.2.2 Coding the Data in this Case Study

The data collected from the in-depth interviews and documents were coded. The process used for analysing the data followed that recommended by Strauss and Corbin (1990). Strauss and Corbin (1990) saw coding data as an essential part of transforming raw data into theoretical constructions of social processes. Strauss and Corbin (1990, p. 61) described three levels of coding data: open, axial and selective. They describe open coding as 'the process of breaking down, examining, comparing, conceptualising and categorising data'. Axial coding, according to Cresswell (1998), facilitates exploring the interrelationships of categories that influence the central phenomenon and selective coding as the process of 'building a story that connects the categories' (Creswell 1998). This process enabled the researcher to use the abductive approach which facilitates the movement between an empirical world (the data) and a model world (the conceptual framework). Open, axial and selective coding was used to analyse the data in this study. This is described in detail in the next section.

4.6.2.3 Open Coding

The process of open coding began with physically breaking down each in-depth interview transcript or document, line by line, into fragments for analysis. This precluded any tendency

to assign meaning in a general way, for example by reading over the data and quickly creating impressionistic 'themes', rather than data-specific based categories.

Fracturing data into fragments also helped the researcher to step back and conceptualise in a way that transcended the particular interview in which they were embedded. It helped the researcher explore the data and initiate naming activities, examining for meaning by noting provisional names for each item of data. Glaser and Strauss (1967) called these codes 'substantive codes' because they come from the substance of the data *in vivo*; for example, words identified by the researcher that the participants have used to describe the concepts of learning organisations.

Similar code phrases were then grouped together to create clusters, which were given labels. At this point in the analysis, the concepts identified in the conceptual framework developed for this study were found to be an effective way to categorise each cluster of data. Sometimes this would consist of a single word or phrase. For example, when discussing learning activities, some interviewees used the word 'team', others 'group' and yet others used the word 'community', all of which pertained to the concept of team learning.

Categories are classifications of thoughts and ideas, discovered when pieces of data are compared with one another and found to pertain to similar concepts. Similar categories, such as the one described above, were grouped together for each piece of data concerning the concepts of learning organisations. Embedded in this step were Glaser and Strauss's (1967) techniques of constant comparison, which are methods of comparing concepts and categories for similarities and the relationships that exist among them.

4.6.2.4 Axial Coding

Axial coding was the second stage of coding analysis used in this study. Axial coding focuses on the category of primary research interest. Creswell (1998, p. 151) describes this coding process as:

> exploring the interrelationships of categories … that influence the central phenomenon, the **strategies** for addressing the phenomenon, the **context** and **intervening conditions** that shape the strategies, and the **consequences** of undertaking the strategies.

When using axial coding, the researcher began to create a conceptual model based on this coding strategy, which described the interrelationships existing in the data. For example, leadership was often referred to by the participants in the context of many of the other concepts of learning organisations. This interrelationship between the concepts and trust was a constant theme during this stage of the coding strategy. This is often described as hierarchical coding or tree coding. The term reflects the common strategy of arranging information in a hierarchy of concepts. For example, leadership is a predominant theme, with various concepts clustered as subordinate sets of data pertaining to leadership.

In N-Vivo, axial coding is called tree-node coding. To accomplish it, the researcher created a new tree node by naming the organising concept (for example, leadership). In this case, the concepts identified in the conceptual framework in Chapter Three were created as tree nodes in that section of the programme. The researcher then reviewed all the free node open-coded data and dragged and dropped each free node piece of data into an appropriate tree node. As the researcher proceeded, a new tree node or sub-nodes under a major tree node were created. In this way, the researcher built a conceptual map of the data and the interrelationships could be seen and identified as the data was worked through.

4.6.2.5 Selective Coding

Selective coding expanded the process of axial coding into the process of 'building a story that connects the categories' (Creswell 1998, p. 150). Often, qualitative analysis ends with this story, which is then described in the research write-up. Once the data had been organised into tree nodes or concept categories, the research moved up to a higher level of analysis and theme building. At this level, the researcher organised the tree nodes into an

integrated representation of what the researcher believed was happening as reported in the data collected.

In N-Vivo, selective coding begins by coding up from the tree nodes into even larger, broader tree nodes and finally mapping relationships, shaping the node system, listing nodes and reporting the nodes. This process ends by creating a model that represents the data. To do this, the researcher revisited the research aim's intended outcome. The researcher inductively decided upon the possible and the usefulness of outcomes, determining how to arrive at these based on the data collected and the structure of the analysis. This included identifying broad themes for discussion and participant's general themes for discussion outside the conceptual framework.

Each of the concepts identified in the conceptual framework in Chapter Three provided an initial focus for the recording of the data. For example, all responses to the in-depth interview questions concerning leadership were recorded under the heading 'leadership'. Sub-themes then emerged from the data in at least one of the ten concepts; for example, attributes of transformational leadership. Sub-themes in the other concepts were less clear and were not easily separated from the central theme.

Other benefits, in addition to those already mentioned, were that the programme aided searching, retrieving and summarising the data. By providing a systematic means for selectively retrieving information for comparative purposes, it enabled systematic theme comparisons and the clear presentation of findings. It also enabled different types of data to be interrogated simultaneously; in this case, in-depth interviews and documents. This enabled the analysis of the data and the reporting of the evidence to be undertaken in a rigorous and meaningful way.

The analysis of data involves a level of interpretation by the researcher; this is unavoidable and needs to be ethically managed. The rules that governed the interpretation of the data are discussed below.

4.6.2.6 Interpreting the Data

The interpretation of the data is probably the most critical feature of qualitative research (McMurray, Scott & Pace 2004). The interpretation of the data involved being conscious of the issues about which people will and will not talk. Rules about what can and cannot be said are called content rules (McMurray et al. 2004). Procedural rules concern how something should be said.

The participants' were given every opportunity to communicate in any way they chose. Confidentially was assured and, if necessary, de-identification of a participant made it highly improbable that they could be recognised from the data as a participant in this study.

The data in this study was invariably shaped by the analytical interpretations of the researcher (Strauss & Corbin 1990). This process caused the researcher to sharpen their analytical skills to be able to substantiate any emerging ideas from the data adequately. A disciplined approach to this is at the heart of research credibility.

One of the measures for ensuring credibility in this case study involved asking the participants to confirm that the interpretation by the researcher was a true representation of their words and meanings. In this study, the researcher offered the participants every opportunity to review the transcripts of their in-depth interviews and make any changes or alterations they chose. All of the participants afforded themselves this opportunity and the credibility of the research is reflected by this strategy. This strategy has been described as 'uncovering' (Packer & Addison 1989) and as verifying or as determining validity (Meadows & Morse 2001). This process of collaborating involved re-viewing the text after the initial interview with the participants and, at later stages of the analysis, seeking to corroborate the multiple 'truths' or perspectives voiced in the texts by the participants. In the analysis stage of the research, this strategy was used to confirm the correspondence of interpretations to the empirical world as experienced by all the research participants. This re-viewing was consistent with the concept of uncovering (Crabtree & Miller 1999).

The strategies for recruiting the participants, trialling the in-depth interview questions and trialling the in-depth interview techniques were developed following a small pilot study.

4.7 The Piloting of the Instruments Used in this Study

The piloting of the instruments used in this study was undertaken for several reasons, including convenience, access and geographic proximity to the informants. This assisted the development of more relevant lines of questioning and the refinement the data collection plans, with respect to both the content of the data and the procedures to be followed (Yin 2009, p. 92). The details of the pilot are presented for completeness. It was an inexpensive and time efficient exercise, which made a valuable contribution to the data collection methods finally used for the major study.

Convenience sampling was employed for the pilot study. One senior manager and members of his staff who met the *priori* criteria for the study volunteered to participate in the pilot study. They were interviewed at one of the NFPO's sites. In all, five people were interviewed at the NFPO's head office. Each of these volunteers was asked to answer and comment on the pre-prepared questions and their comments were recorded by the researcher.

The senior manager and the staff were well known to the researcher. It was deemed reasonable that this would not unduly influence the pilot, as it was for procedural accuracy rather than gleaning sensitive or controversial information. Nevertheless, an obvious limitation to this pilot study was that the researcher, as a manager and researcher, was well known to the participants who may have wished to appear non-critical. The researcher emphasised a genuinely interest in critical feedback and that all responses were greatly appreciated.

The piloting of the instruments facilitated a number of refinements to the original list of questions and prompts. The most important lesson from this exercise was the importance

of keeping the participants on track. The prompts for each question helped the participants to remain focused. However, unlike data collection methods used in grounded theory, the questions were not intended to be completely open ended.

4.8 Methodological Rigor

The case study method shares the strengths and weaknesses of other forms of qualitative research. This section addresses the issues that relate specifically to the rigor of the case study method, as an appropriate research design for this study.

The criteria for judging quality is as critically important for qualitative research as they are for quantitative research. Qualitative case study researchers have discovered different ways of ensuring the rigor of their research when compared to quantitative researchers. Yin (2009), for example, uses positivist language when describing tactics for four case study design tests: internal validity, external validity, reliability and objectivity (Yin 2009, p. 41). These tests are common to all social science research methods.

In contrast, qualitative researchers have developed different approaches for qualitative research. Terms such as credibility, transferability, dependability and confirmability are used to replace the more traditional research terms. The case study method is known to use these approaches interchangeably. For the sake of clarity, credibility, transferability, dependability and confirmability are the preferred terms used in this case study. More specific quality issues concerning the case study method arise from these issues, each of which is discussed in detail in the next sections.

4.8.1 Credibility

The question of credibility can be summarised as a question of whether the researcher's perceptions are accurate (Padgett 2008; Schwandt 2001). In this context, the researcher developed strategies to reduce the risks of presenting inconsistent or inaccurate findings as

a result of unintended bias or misleading representations of the data. Further, the use of more than one source of data enhances the credibility of the research design (Yin 2009). This study uses data from 20 in-depth interviews and organisational documentation. Credibility is also linked to a continuous process that is integrated with theory and requires the researcher to continually assess assumptions, revise results, re-test theories and models and reappraise the given limitations, discussed in Chapter Seven that have been set for the study.

4.8.2 Transferability

Generalisations cannot be made on the basis of qualitative case studies. The issue of transferability has been a source of concern for many researchers. Further, it is often stated that, because sample sizes are usually so small in qualitative studies, the applicability of their findings to other situations is not tenable.

Others see the issue of transferability of the findings from the case study method as limiting. The researcher takes the position in this study that the decision to consider any of the findings from this research is entirely in the hands of the reader. What the researcher must demonstrate to the reader is that every care has been taken to ensure this thesis carries sufficient conviction to enable someone else to have the same experience and appreciate the truth of the account (Mays & Pope 1995, p. 111).

4.8.3 Dependability

The reliability issues for a qualitative case study are different from those for quantitative methods, in which reliability is said to be present if the testing can be repeated, giving the same result each time and remaining stable over time (Hoepfl 1997). In the context of qualitative research, it is accepted that reality changes over time. Consequently, it is not possible to reproduce qualitative studies, because contexts do not remain static and the findings of qualitative research are highly dependent on context. However, the key is to

ensure objectivity within the data collection so that the findings, when presented, are dependable (Sandelowski 1986). The dependability of the evidence in this study was achieved by demonstrating that the operations of the study—such as the data collection procedures and the development of the data base—are robust, transparent and able to be replicated.

4.8.4 Confirmability

Lincoln and Guba (1985, p. 290) propose the term confirmability to replace neutrality or objectivity when conducting qualitative research. Confirmability is seen as the degree to which the findings are determined by the respondents and conditions of the enquiry and not by the biases, motivations, interests or perspectives of the enquirer.

Confirmability is about trustworthiness; it is incumbent upon the researcher to demonstrate to the reader that every precaution has been taken to ensure the research was conducted ethically and with integrity. The researcher will show that any personal bias concerning this case study is exposed. The in-depth interview transcripts demonstrate sensitivity, empathy and respect for the participants in the study by the researcher. The research processes used in this case study were conducted conscientiously, openly and reflectively. The researcher has consciously considered, through personal reflection, the research practices employed throughout this case study research. The data collection strategies, data analysis and interpretation techniques used in this case study are auditable and transparent. How the credibility, transferability, dependability and confirmability of this information are further ensured, in this study, is the focus of the next section.

4.8.5 Trustworthiness

To further increase the rigor of this study, activities to increase the trustworthiness of the data were incorporated into the study design (Brink 1991). These activities included reframing the in-depth interview questions following the pilot study; the use of reflexive

and introspective examination of ideas and practices as they occurred; and careful checking of data codes and the use of peer debriefing concerning the research process to identify any distortions or errors in the study design.

The initial in-depth interview questions were refined following the pilot study. Because some of the terminology was unfamiliar to some of the participants, short descriptors of the element in the question were provided. For example, Q1: How would you describe leadership in your organisation?

Prompt: Does your leader(s) demonstrate characteristics, which could be described as:
Transactional, that is, focusing on the short-term goal and objectives of your area, tend to follow the existing rules, procedures and norms and expect you to do the same,

and

Transformational, that is, encouraging employee commitment and sense of purpose and a feeling of family,

or

Other characteristics?

These short prompts facilitated responses with more depth and understanding of the element under review. The prompts clarified the meaning of these elements and reduced any possibility for ambiguity. The context of the interviews and meetings were recorded in the researcher's field notes at, or closely to, the time of in-depth interview or meeting.

The multiple locations and the context in which the participants viewed their organisation, was an important aspect of the overall findings. Keeping up-to-date field notes enabled the researcher to record the context in which the information was collected and note down any thoughts or ideas that emerged at that time.

Finally, the checking of data codes was an ongoing iterative process throughout the study. The process involved exploring and validating the patterns that emerged from the three

sources of evidence. Although this was usually a solitary task, occasionally help was required. Privacy and confidentiality of the participants was maintained at all times during this process.

4.8.6 Conclusion

This section has defined and explained how this study ensured methodological rigor, concerning credibility, transferability, dependability and confirmability of the research process and findings. The research process is required to be transparent and the representation of the data should be accurate. The data was sorted into the elements of learning organisations, identified in the conceptual framework for this study. Themes were identified from looking for similarities in statements and the accumulation of all statements that appeared to deal with similar ideas together under one or more elements. Eventually, each theme could be allocated to a concept or assigned as a new theme (not one of the predetermined concepts). After one of the sources of data had been reviewed for themes, similarities and differences among the themes were compared and contrasted simultaneously with the other sources of data.

This section has described the methods used by the researcher to analyse and interpret the data collected for this study. The findings that have emerged from the analysis and interpretation of the data concerning the elements of learning organisations in this case study are presented in the next chapter.

4.9 Ethical Considerations

This exploratory case study was conducted in accordance with the requirements of the University's Human Research Ethics Committee. Written permission was gained from the NFPO in which the research took place. No personnel files, file information or stored data of the participants was used. Participants were selected according to selection criteria. Only

willing participants participated in the study. The written consent of the participants was obtained. Full information was given to participants and confidentiality was absolute.

Confidentiality issues were also respected when transcribing. Tapes and transcripts were coded so that no names could be identified. Tapes and transcripts were stored in a locked cabinet during the transcription process and destroyed at the end of the study. No one other than the researcher and supervisor had access to the original data.

There are important issues of informed consent when conducting organisational research. The criteria for valid informed consent are capacity to consent, being fully informed and preserving autonomy. All three of these criteria were uppermost in the researcher's mind when conducting this research.

Finally, the researcher organised small things like flexibility around scheduling interviews and the provision of bottled water, tea and coffee for the comfort of the participants. The participants in this study were willing and appeared to want to share their insights with the researcher. For example, Ted said, 'I've really enjoyed talking to you about our organisation, no one ever really listens to me but you have'.

4.10 Summary

In this chapter, the method used in this qualitative, exploratory case study research has been presented. The method was underpinned by several factors: the research question, the research aims and the conceptual framework developed in Chapter Three of this thesis. Within this chapter, the case study method was presented as a three phased research design. In Phase One, the preparatory phase of the research, was presented, covering the decisions concerning defining the parameters of the case study and the sources of data to be collected for the study. This phase required gaining ethical approval to conduct this study. The requirements to conduct the study are outlined. They include gaining ethical approval, gaining approval from the host organisation and addressing the issues of participant

consent and confidentiality. Finally, this phase involved the decisions concerning the recruitment of the participants for this study.

Phase Two, the action phase of this research, covered the decisions concerning the two data collection methods used for this research: the in-depth interviews and the organisational documentation. This phase also presented some of the issues concerning bias and explained how the research paradigm influenced the decisions related to the data collection methods. This phase concluded with a description of the data collection instruments and their use.

Phase Three, the data evaluation and review phase, explained the data analysis and data interpretation procedures in detail. The merit of using qualitative research software was discussed in the context of this study. Reference to the issues of methodological rigor and ethical considerations were also discussed. The overall point of this chapter was to demonstrate that all steps were taken to ensure the trustworthiness and dependability of the findings. The next chapter reports on the findings of the study and discusses the possible implications of this case study for learning organisations.

Chapter Five: Findings and Interpretations of the Data from the Exploratory Case Study

5.1 Introduction

In Chapter Four, the research method used in this exploratory case study was discussed. This chapter presents the findings and interpretations from the data collected for the study relating them to the concepts of learning organisations, identified in the conceptual framework developed in Chapter Three of this thesis. The data was organised into two sets. The first contains the data from the in-depth interviews with ten senior managers and ten frontline staff. The second set of data contains the data from the organisational documents from the NFPO collected for this study. The data from the in-depth interviews and the extracts from the documents are presented for each of the concepts of learning organisations presented in the conceptual framework in Chapter Three.

However, the in-depth interview data and documents are presented separately for the senior managers and for the frontline staff because it was important to capture the perspectives of these two groups separately prior to comparison. The concept of learning organisations stresses that learning is important at all levels of the organisation (Marsick and Watkins 1998). The in-depth findings from interview data and documents pertaining to the senior managers precede the findings from in-depth interviews and documents concerning the frontline staff. In this way, the themes and trends from the two groups can be compared and contrasted. The extent the concepts of learning organisations, as articulated in the research question for this study, are experienced may depend upon their position in the organisation, their physical location or their relationship with their supervisor. The findings and interpretations of the findings concerning learning organisations from both the senior staff and frontline staff are presented separately in the form of a summary. Two further concepts that emerged from the data are also presented

and discussed in this chapter in the context of how they contribute to a revised conceptual framework of a learning organisation.

The findings are presented in the following sequence: the in-depth interview questions related to the concepts of learning organisations, asked by the researcher at the in-depth interviews, followed by the participants' responses to these questions, with exemplars and comments from both the in-depth interviews and documents. Comments from the participants are used to compare and contrast the views related to each theme or to encapsulate the theme or issue. The researcher's interpretations of the data from the in-depth interviews and documents are integrated with the presentation of the findings and in the summary. The researcher's representation of the participants' responses and documents concerning the themes or issues are offered as the most likely interpretation of the findings from these sources of data. The amount of data presented in this chapter has been restricted by necessity. The chapter concludes with a revised conceptual framework of a learning organisation. An overview of Chapter Five, depicting diagrammatically how the chapter is set out, is displayed in Figure 5.1

Figure 5.1: Flowchart of Chapter Five (Developed for this Thesis)

```
┌──────────────────┐      ┌──────────────────┐            ┌──────────────────┐
│ 5. Findings and  │      │ A brief statement│            │ Revised          │
│ interpretations  │ ───► │ concerning the   │ ──┐        │ conceptual       │
│ of the data from │      │ presented concepts│  │        │ framework of a   │
│ the exploratory  │      │ of learning      │  │        │ learning         │
│ case study       │      │ organisations    │  │        │ organisation     │
└──────────────────┘      └──────────────────┘  │        └──────────────────┘
                                                 │                  ▲
                                                 ▼                  │
                          ┌──────────────────┐            ┌──────────────────┐
                          │ In-depth         │            │ Summaries,       │
                          │ interview data   │ ─────────► │ including the    │
                          │ set (1) senior   │            │ findings and     │
                          │ managers (2)     │            │ interpretations  │
                          └──────────────────┘            │ of the data set  │
                          ┌──────────────────┐            │ for each concept │
                          │ Document data    │ ─────────► │ of learning      │
                          │ set (1) senior   │            │ organisations    │
                          │ managers (2)     │            │                  │
                          │ frontline staff  │            │                  │
                          └──────────────────┘            └──────────────────┘
```

5.2 The Findings: The Data from Senior Managers and Frontline Staff Concerning Leadership

This chapter describes the in-depth interviews and documentary evidence collected for this exploratory case study. The perspectives of the senior managers compared to the frontline staff were demonstrably different, for this reason, the two groups are reported separately.

The characteristics of leadership from the conceptual framework developed for this study were very evident. However, the extent to which people talk about the concepts was variable. For example, the participants were able to describe the various styles of leadership in their organisation in detail. For this reason, the section in this chapter on

leadership highlights several themes that emerged from the data analysis described in Chapter Four.

The coding of data was conducted in three ways: open coding, axial coding and selective coding. These processes are represented diagrammatically in Figure 5.2. The data is linked to the concepts of learning organisations depicted in the conceptual framework. Although these categories may appear self-evident, it is the extent to which they were talked about in the in-depth interviews and recorded in the organisations documents that were important in responding to the research question and that is reported in these findings. The interpretations of these findings are presented in accordance with the data analysis process described in Chapter Four and also presented diagrammatically in Figure 5.2.

| Concept 1 | Concept 2 | Concept 3 | Concept 4 | Concept 5 | Concept 6 | Concept 7 | Concept 8 | Concept 9 | Concept 10 |

In-depth interview and document data

Open/Axial/Selective Coding

SET THEMES
1.Transaction
2.Transformational
3.Charismatic
4. Autocratic

SET THEMES
1. Organisation's Vision

SET THEMES
1. A church
2. A welfare organisation

SET THEMES
1. Risk taking
2. Innovation and creativity

SET THEMES
1. Research
2 Customer service

SET THEMES
1. Growth and development

SET THEMES
1. Very little learning in team

SET THEMES
1. Independent
2. Interdependent

SET THEMES
1. Bureaucratic

SET THEMES
1. Planning

| Leadership | Personal Mastery | Shared vision | Team learning | Mental models | Systems thinking | Entrepreneurship | Open structure | Market Orientation | Decentralised planning |

NEW THEME

NEW THEME

Figure 5.2: The Coding of the Data

A brief commentary, for each of the concepts precedes the presentation of the data sets, which are then presented in a uniform manner: introduction, findings and interpretations of the data in the form of a summary. The first of the concepts presented in this chapter, is the concept of leadership.

5.2.1 A Brief Commentary on Leadership

The work of Senge (1990) and Slater and Narver (1995) on learning organisations, discussed in the literature review, names leadership as a key element in developing learning organisations. Leadership in NFPOs, such as the one in this case study, is not only a matter of goal attainment and job performance, but also a matter of personal commitment and personal expectations (Anheier & Seibel 2005). This is because NFPOs generally, and this NFP in particular, are based on and guided by values and beliefs, which require members to confirm their personal commitment to the organisation's values and beliefs and vision. In his book, The Eighth Habit, Covey (2008) emphasises that he sees leadership not as formal authority, but rather that leadership is moral authority. Covey describes character as a culmination of one's values such as honesty, integrity, humility and trustworthiness.

The need for an effective and appropriate leadership style for learning organisations has been the subject of much debate and research (Clegg 1999, Conger & Kanungo 1998, Dobson & Tosh 1999, Garger 1999, Griego, Geroy & Wright 2000, Grieves 2000, Hodgkinson 2000, Nanus & Dobbs 1999, Nevis, DiBella & Gould 1995, Pedler, Boydell & Burgoyne 1989, Popper & Lipshitz 2000, Senge 1990, Slater & Narver 1995, Snell 2001, Watkins & Marsick 1993). However, what constitutes an effective and appropriate leadership style remains elusive for learning organisations.

In Chapter Two of this thesis, the shift away from the command and control approach to leadership to a more personal and inspirational form of leadership was discussed. This reflected a move towards transformational forms of leadership for learning organisations.

The dimensions of leadership proposed by Nanus and Dobbs (1999) suggest that a combination of transformational and transactional types of leadership is best suited for NFPOs. However, it is generally accepted that whatever leadership style may be adopted, the fundamental influence of the leader's character is paramount. The dimensions of leadership style in the minds of the participants, at the time of their in-depth interviews, and in organisational documents are presented in the next section.

5.2.2 The In-depth Interview Questions and Documents Regarding Leadership with Senior Managers and Frontline Staff

Every participant was asked the same open-ended question concerning leadership. The question: 'How would you describe leadership at your organisation' was posed as an opportunity for the participant to describe their perceptions of leadership at the NFPO. The question was further qualified by providing each participant with a short descriptor for transformational and transactional leadership, as a combination of these two styles of leadership was noted by Nanus and Dobbs (1999) as appropriate for NFPOs. The participants were also given the opportunity to describe other styles of leadership or state that none of the characteristics of transformational or transactional leadership was experienced at the NFPO. This was done by asking the participants if they wished to describe any other characteristics of leadership. The opportunity for participants to express their views on leadership at the NFPO was important so, although some guidance on leadership was given, responses were not restricted by this guidance.

5.2.3 The Findings from the Data Sets on Leadership from Senior Managers

The findings and interpretations from the data analysis on leadership are presented in this section. The in-depth interviews offered the participants the opportunity to discuss leadership at the NFPO in a semi-structured way. In the main, the senior managers tended to answer the open ended questions from one or more perspectives: how they perceived themselves as leaders, how they saw their peers (other senior managers) as leaders and

their perceptions of the most senior leader of the organisation (the CEO). References in the documentation, where relevant, are employed as a further source of evidence. Documents revealed 40 extracts relating to leadership. The major themes concerning leadership that which emerged from the data sets on leadership are now presented.

5.2.3.1 The Major Themes Concerning Leadership at the Not-for-Profit Organisation

The major themes concerning leadership at the NFPO included a personal perspective of leadership similar to what Covey (2004) has termed the character ethic. Transformational and transactional styles of leadership also emerged as significant themes. At least one leader in the organisation was perceived as being charismatic. Most participants concurred that a variety of leadership styles were evident at the NFPO.

5.2.3.2 Leadership Based on Intrinsic Personal Characteristics

When discussing transactional and transformational styles of leadership, several of the senior managers tended to see their own leadership characteristics as intrinsic, as opposed to anything they had been formally taught about leadership. When reading from the question sheet provided to the participant, the following quotation was typical of the senior managers' responses:

> One of the things you've written (the descriptor of transformational leadership) is about transformational leadership 'encouraging the employee commitment and sense of purpose and a feeling of family'. I certainly have that, but I think that comes from me intrinsically more than anything else [007a].

Leadership was frequently seen as a personal issue for the senior managers. The characteristics they described were, to them, derived from their character. These senior managers did not view their leadership style as influenced by any leadership training they had attended.

The character ethic is purported to be fundamental to effectiveness as a leader (Covey 2004). Character in this sense includes such things as honesty, integrity, values, beliefs

trustworthiness and humility. Some of the organisational documents, an example being the organisation's monthly staff newsletter, contained personal accounts of people who joined the NFPO because of a synergy between the values and beliefs espoused by NFP and their own values and beliefs.

5.2.3.3 Transformational Leadership at the NFPO

The characteristics of leadership expressed above correlate with the characteristics identified in the literature on transformational leadership. Eighty per cent of the senior managers viewed themselves as transformational leaders, describing themselves as having the ability to motivate their staff to achieve more than they thought possible, as illustrated by these comments:

> My staff have achieved better outcomes for themselves and for the NFPO than they initially believed possible which I attribute to the way I lead them [003].

> I motivate others to do more than they originally intended. I know that my staff all just work kind of night and day and I never have to say to people 'Why don't you go do that?' 'Why don't you go here?' Everybody's just doing it [008].

When describing their attributes as transformational leaders, the senior managers made comments such as:

> I tend to set the vision for my staff and give them the space to get on with it [002].

> I focus on supporting them, not managing them. So I don't tell anyone what to do much, because what to do is fairly obvious and apparent. You don't need to tell people what to do, all I need to is get out of the way, give them the tools and the room to move and do things [008].

> I guess I have broken every old rule there is in the NFPO. It is about trusting your staff. Not keeping track of how much time they work, but to have a win-win situation where, when there's work to be done, they will work on the Saturday or Sunday or night time. If they then want to take their child swimming, take them to school or something, we make arrangements. They do that. In fact, with some people, I've had to actually reinforce that, because they didn't expect to be given such freedom [005].

The senior managers saw their role as not only influencing transformation in the lives of their consumers, but also contributing to the transformation of their staff. In terms of learning, change and transition, the senior managers felt they contributed in the following ways:

> I try and encourage learning. I think learning leads to growth. Training leads to repetition. I think a good degree of learning takes place in experiencing failures and mistakes. I'm quite happy for that to happen. Usually the mistakes are not devastating, so there's plenty of room to do it [002].

> I try and provide opportunities; people can learn if they want to. If they don't learn then they are probably not going to be with us for very long. Most of the people in our group are learning. I think they've all grown a bit [005].

The distinction between learning and training was often confused by the senior managers. Some training was compulsory and the attendance rates of the participants were deemed more important than any learning that may have occurred. Documents confirm that a high ratio of the organisation's staff attend training.

The distinction between learning and training is a subtle one However; the learning organisation literature makes it quite clear that it is the continuous learning of all its members that makes a learning organisation different to most other organisations (Garvin 1993). This kind of learning takes place at both a formal and tacit level in learning organisations. The tacit learning is connected to the idea of knowledge transfer and its facilitation. The formal training in the organisation is seen by some members as a transactional arrangement—that is, staff are required to attend mandatory training and receive either incentive for attendance or sanction for non- attendance.

5.2.3.4 Transactional Leadership at the NFPO

When senior managers were discussing the leadership characteristics of other senior managers, a somewhat different picture emerged. The following quotation was quite typical of this perception:

> There are one or two transformational leaders amongst the senior group, but I see most of them as transactional leaders, they are focused on the short term and getting the job done [009].

The majority of the senior managers, apart from the one or two mentioned by the participant above, perceived their peers as transactional leaders. This was surprising, as the majority (eight out of ten) had described themselves as being transformational leaders. This could be explained by the fact that not all senior managers at the NFPO were interviewed, although ten out of a possible 24 were. A further interpretation might be that, if these leaders were both transformational and transactional, perceptions of their leadership style may depend upon the context in which their leadership style was experienced by others. Alternatively, it could be that their belief in being transformational is not evident in their actions. Indeed, an element of self – serving bias may account for some managers talking the talk of transformational leadership without actually walking the walk.

Interactions between senior managers may involve negotiating for resources or disputes regarding areas of responsibility. However, according to one interviewee, 'when all the senior managers get together it's not recognised that we need to work together to solve problems' [007a]. This attitude towards working together to solve problems is typical of organisations in which senior managers see themselves as working in 'silos'. Silo being a term used to describe a series of unconnected units or departments within the same organisation. This is not conducive to the concepts of systems thinking or team learning, which are purported as being essential to learning organisations (Senge1990). Other issues concerning leadership styles emerged during the in-depth interviews and the investigations of the organisational documents. One such issue was that of charismatic leadership.

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5.2.3.5 Charismatic Leadership at the Not-For-Profit Organisation

Some of the senior managers (six out of ten), while acknowledging that transactional and transformational leadership characteristics existed at the NFPO, also commented on the leadership at the very top of the NFPO. When discussing the characteristics of the NFPO's senior leader, most comments echoed the sentiments of this senior manager, who stated that 'we do have a figurehead at the top who's very impressive and very well achieved, very well regarded, very well respected. Charismatic in fact' [007a]. When asked to expand on the perceptions of the CEO, a picture of a charismatic person began to emerge. Charismatic people are characterised as:

> Set apart from ordinary men and treated as endowed with … exceptional powers and qualities … [that] are not accessible to the ordinary person but are regarded as of divine origin or as exemplary and on the basis of them the individual is treated as a leader (Weber 1949, pp. 358–359).

This is evident in the following comments related to the perception of the leader as an extraordinary person:

> We have a Chief Executive or a Superintendent that tells us often that he works a hundred and fifty hours a week, sort of thing, and I wondered how that impacts on the organisations culture [008].

> There is a balance people have to have between their spiritual life and their physical exercise and their family and work and, in fact, the CEO doesn't have that balance [009].

Some months following this comment, the CEO experienced a major health issue, prompting the comment that, 'all we've worked on is the energy and ego of the CEO to get us where we are and it's a good platform, however, not if its likely to kill him in the process' [002].

One senior manager did not see the charismatic characteristics attributed to the CEO as contributing to effective leadership:

> In terms of the leadership style of our actual leader—nice person and good to work for and good to work with, but I don't see any actual leadership. I think he performs his role very well and networking and he, you know, as I said he's the figurehead and he benchmarks our organisation and without him we wouldn't be where we are, but in terms of leadership that he provides to his staff, I'm not sure [007a].

Negative aspects of this leader's style were also highlighted by several senior managers, with one confiding that, 'I have found, where I have made a mistake, the chastisement and the repercussions have been EMOTIONALLY very, very severe' [003].

The senior managers saw the leader of the NFPO variously as superhuman, omnipotent, a visionary and a figurehead. When writing about the dark side of charisma, Conger and Kanuno (1998, p. 211) go into depth concerning the negative impacts on the followers of some charismatic leaders. In these in-depth interviews, the senior manager became emotional and upset when conveying their experiences of interacting with the CEO at the NFPO.

From the documents examined, 26 extracts related to charismatic leadership. Since the NFPO is a religious organisation, a major driver for this NFPO is the recruitment of followers. This is evidenced in the annual reports, strategic planning documents and communiqués authorised by the leadership.

> We celebrated the 25th anniversary of the formation of the … We still have growing congregations and a thriving pastoral work, being the largest … in the nation (Annual Report 2002).

In the same annual report, the report written by the organisation's leader, he goes on to say:

> I addressed gatherings, meetings and public occasions on more than 300 occasions, travelled 5000km in two weeks and met with the majority of the organisations 3000 staff (Annual Report 2002).

The drive for growth and expansion was not limited to the recruitment of new followers. Growth of services, assets and influence are well documented in the NFPO's records, as seen in the report that 'for the first time we have over 4,000 employees' (Annual Report 2005) and in the following extract:

> If a manager in any of our Centres, including: hospitals, employment centres, nursing homes and any other centre is not recruiting and deploying volunteers, then that manager is not good at utilising resources (Management Advice 2001).

To some extent, the organisation's expansion philosophy is moderated in the senior staff reports with frustrations regarding inadequate resources and the pace of change required to

accommodate new initiatives. Mostly, growth was celebrated in the form of public announcements and praise for those successful in securing extra resources and funding. No documents were uncovered that referred to the negative behaviours described above. However, this might be due to what one senior manager referred to as 'being two cultures at the NFPO' [005], which indicates that while there is an overt culture, claiming to support learning through making mistakes, risk taking, creativity and innovation, there is also a more covert culture of blame, intolerance and fear. This is possibly due to the capricious nature of the leader, who stated in one communication (Management Advice 2004) with his staff, 'some of the decisions I have made were determined by chance rather than by necessity or reason' Learning organisations are organisations that are continuously improving, creating and advancing the competences necessary for future success (Kraleva 2011). Such competencies would be inhibited in a culture of fear, blame and intolerance.

Therefore, in order for an organisation to become a learning one, some conditions must be present. Firstly, the employees' willingness to undertake a risk: an organisational culture which provides an environment for information and knowledge to be shared and disseminated is also important. Additionally, the concept of learning organisation can exist only if appropriate aspects are present. These aspects include suitable structure and fitting strategy. According to Cerovic (2003, cited in Kraleva 2011, p. 79) 'the following characteristics, which support the individual and organisational learning, distinguish the learning organisation from the traditional one: leadership, horizontal organisational structure, empowering employees, communicating information, strategy put together from all the employees and strong organisational culture'.

Documents such as those produced by the organisation's leader gave a strong indication that he was an exceptional leader, frequently referred to as charismatic. Although this was the view expressed by most participants, this was only one of a variety of other leadership styles described by the participants.

5.2.3.6 A Variety of Different Leadership Styles

The other noteworthy theme identified from the in-depth interviews, with the senior managers was that a variety of leadership styles exists at the NFPO. It has been argued by Garavan (1997) that an effective and appropriate leadership style remains elusive for learning organisations. Perhaps a combination of styles may prove to be the most appropriate to learning organisations. For example; contingency theories of leadership (Fiedler 1967) focus on particular variables related to the environment that might determine which particular style of leadership is best suited for the situation. According to this theory, no leadership style is best in all situations. Success depends upon a number of variables, including the leadership style, qualities of the followers and aspects of the situation.

When asked about how they saw leadership at the NFPO, the majority of senior managers reported different styles of leadership depending upon their perspective. For example, when discussing themselves as leaders, they tended to perceive themselves as transformational. When discussing their peers, they tended to see them as primarily transactional leaders and when discussing the CEO, they tended to see him as charismatic.

Seven out of the ten senior managers responded to the question: 'How would you describe leadership at this NFPO?' with comments such as: 'leadership at this NFPO is quite varied— there's a lot of bureaucracy and there are areas that are visionary and many areas that aren't visionary' [003] and 'in my area we have two different senior managers, two different leaders, different management styles, different everything' [007a].

The view that both transformational and transactional leadership exist at the NFPO was reflected in the responses of six senior managers, with comments such as:

> Leadership at this NFPO is a combination of transactional and transformational leadership and I think you have to have both. You can't have all your leaders operating at a transformational mode, you have no stability and while you make the changes there's nothing left behind to

ensure that, that the organisation can continue to operate in an efficient way and I think that there's a fairly good mix between those who see themselves as visionaries and those who are more pragmatic and operational in their, thinking [003].

The comment by this participant echoes comments from a significant number of senior managers— that transformational leaders were visionary and the initiators of change that, at times, contributed to organisational instability. These leaders were seen to encourage employee commitment and create a feeling of family, whereas, transactional leaders were perceived, by the majority of senior managers, as focusing on the short term and organisational rules and procedures, as well as being more pragmatic thinkers and good for maintaining organisational stability.

While most senior managers stated that the leadership styles at the organisation were generally transformational or transactional, there was one notable exception. When afforded the opportunity to describe other styles of leadership or state that none of the characteristics of transformational or transactional leadership were experienced at the not-for-profit, one senior manager commented: 'I don't see many of these kinds of leaders at this not-for-profit' [002]. Going a step further, Johns and Saks (2007) argue some neutralisers of leadership can actually serve as substitutes for leadership. In other words some employee task and organisational characteristics might operate to make leadership unnecessary or redundant. .

The senior managers were unrestrained in giving their views on leadership at the NFPO. Interestingly they delineated very clearly between transformational, transformational and charismatic styles of leadership. These participants did not refer to any blurring of these styles. Clear lines were drawn between the leaders they perceived as being transformational, transactional and charismatic. They saw transformational leaders as those more likely aligned to the concepts of learning organisations, whereas they perceived transactional leaders as more traditional and less aligned with the concepts of learning organisations. Although some could see the relationship between charismatic leadership and the concepts of entrepreneurialism and holding a powerful shared vision, this tended to

be compromised. They saw charismatic leadership as being more self-centred and less flexible and adaptable than transactional leadership.

Although a range of views was offered, there tended to be consistency in terms of how they perceived leadership from three perspectives: themselves, their peers and the CEO.

5.2.3.7 Summary

This summary is based on the comparison triangulation of the data from the in-depth interviews and the documents concerning leadership at the NFP.

In response to the question 'how would you describe leadership at this organisation', the senior managers tended to respond from three perspectives. The senior managers overwhelmingly perceived themselves as having the characteristics identified with transformational leaders. In contrast, they saw their peers as mostly transactional leaders, displaying the characteristics of focusing on the short term, negotiating for resources and outcomes and emphasising policies and procedures. At another level, the senior managers perceived the CEO as having characteristics associated with being a charismatic leader.

Nine of the senior managers identified a variety of leadership styles as being evident at this NFPO. These senior managers reflected, in their comments, what is generally known about transactional and transformational leadership. For example, they perceived themselves as capable of creating a sense of commitment in others. However, when asked to comment on the more transactional characteristics of leadership, they tended to attribute these characteristics to their peers, as opposed to themselves. Further, the majority of the senior managers believed that their leadership style reflected individual personal characteristics, as opposed to what can be learned about leadership.

Charisma was attributed to the CEO of the organisation by the majority of senior managers. This was seen in both a positive and negative light. Charismatic leaders tend to

have high achievement needs and power motivation and they seem to seek visibility and attention. Charismatic leadership was seen in this NFP as necessary to generate energy, create commitment and direct individuals towards new objectives, values and aspirations. However, some of the leader's behaviour was perceived as capricious in nature.

How the culture at the NFPO reflected the charismatic influence of the leader was explored by several senior managers and it was felt in the main that this might have been as negative an influence as it was positive. Conversely, the documents extolled the virtues of the charismatic leader in the CEO.

In contrast to the responses by the majority of senior managers interviewed, one senior manager perceived none of the characteristics associated with transactional or transformational leadership at the NFP. He or she did state that the leader of the organisation was probably 'charismatic'.

The variation in leadership, described by several senior managers, highlighted a combination of transactional and transformational leadership. However, some senior managers viewed others as displaying transactional characteristics of leadership at the NFP.

These two observations are strongly represented in the data; transformational leaders are seen as visionary and creators of change and as leaders who are inclusive and empowering. In contrast, transactional leaders are perceived as those who maintain the status quo and tend towards practical thinking. They are strong negotiators and use rewards and sanctions to get things done. Some participants draw a clear line between these two styles of leadership, whereas at least one other senior manager perceived transactional and transformational characteristics of leadership in themselves. The question on leadership in the in-depth interview, asked – How would you describe leadership at this organisation. Only when the participant requested further clarification of this question were the prompts

concerning transactional and transformational leadership used. In fact, the prompts did not elicit any of the points raised above.

It was evident in the comments, from over half of the senior managers, that the NFP had become overly bureaucratic. They expressed frustration with red tape and slow responses to issues. Some saw the emphasis on quality management as dominating the organisation's decision-making processes. The leadership style expressed here relates to the notion that the emphasis on quality management was perceived by some managers as an attempt to control them: 'Leadership at not-for-profit is at the moment, I believe transactional. It's definitely not transformational' [008].

There appears to be a paradox regarding the organisation's culture, which, on the one hand, was perceived as a culture of blame, preventing learning, creativity and innovation and, on the other hand, as a supportive and tolerant culture supporting and facilitating these characteristics.

Although some senior managers mentioned that they were challenging the status quo on a number of issues, no real evidence emerged to confirm this. In organisational cultures in which blame and fear are present, it is unlikely that individuals would feel confident enough to challenge established organisational norms and values. Feelings of frustration and disempowerment may be experienced by some individuals in this situation (Block 1991).

Learning organisations are said to have leaders who facilitate learning, creativity and innovation Slater and Narver 1995). They are capable of responding quickly to issues: more so than their competitors (Slater and Narver 1995). Such leaders demonstrate an ability to manage change and are courageous in challenging the status quo (Kouzes and Posner 2007). Bureaucratic management may be described as "a formal system of organisation based on clearly defined hierarchical levels and roles in order to maintain efficiency and effectiveness" (Weber 1946).

Bureaucratic management is seen as the antithesis of the learning organisation by many writers, as are cultures of blind conformity, blame and fear.

The responses from the frontline staff may be revealing of how they perceive leadership at this NFP. This is the focus of the next section.

5.2.4. The Findings from the Data on Leadership from the Frontline Staff

5.2.4.1 Introduction

The comments from the frontline staff on the questions concerning leadership at the NFPO are now presented, along with extracts from relevant documentation and a summary. This group of participants tended to view leadership at the NFPO from the perspective of being followers as opposed to being leaders. This is a useful angle to explore, as it possibly gives an alternate perspective on leadership, to that of the senior managers. Documents revealed 92 extracts relating to leadership. These documents were mostly derived from staff meeting minutes, which did not generally include senior managers.

In fact, the themes raised by the frontline participants were not dissimilar to those identified by the senior managers in that a variety of leadership styles were identified as existing at the NFPO. However, one particular aspect of leadership raised by some of the frontline participants represents a significant variation from the characteristics of leadership discussed by the senior managers. This aspect is presented here under the theme hierarchical autocratic leadership (see Section 5.2.4.4).

5.2.4.2 A Variety of Leadership Styles

As with the senior managers, the frontline staff in the in-depth interviews reported a variety of leadership styles in existence at the NFPO. The frontline participants were able to identify individuals that they saw as being transactional and transformational leaders

and drew clear distinctions between these two leadership styles. While there were number of styles reported by the staff, the predominant one was transactional leadership at their level of the NFPO, as shown in the comment that, 'I think there are some problems with the structure because it's the way or the style where this transactional leadership is working in our office' [XX01] and in this frontline staff's experience:

> I've had this situation very recently where I've had a request put in and I've had to put it in to my manager who went to my Regional Manager, who went to the State Manager, who went to the something or other, its gone up about three levels on top of that, right up to the Board and its actually the Board that has to make a decision [XX5].

This hierarchical structure is typical of bureaucratic organisations (Weber 1946). The frontline staff perceived their leaders principally as negotiators. Comments to the effect that sanctions and rewards were used to motivate frontline staff were common. Some frontline staff complained about trying to negotiate with people in head office, who they did not know and rarely, if ever, encountered personally. The following participant's comment in an in-depth interview was indicative of the majority's view—that there were some transformational leaders at the NFPO, although other styles of leadership appeared to be predominant:

> I think my present manager is transformational. I think the leadership at [NFPO] is transactional, like up the higher echelons. I don't see transformational leadership from head office [XX01].

When commenting on transformational leadership some participants were quite positive, as seen by the statement: 'The leadership is very supportive and encouraging and—yeah I find it very, very refreshing' [XX04] and by the comment:

> We don't have terribly much to do with the leadership apart from my boss and his direct boss, but great, very inspirational, very encouraging, very—I mean if they can see an opportunity for us to reach beyond what we're doing now, then they will encourage us to do that. Very supportive [XX03].

Transformational leadership was perceived by several frontline staff as inclusive, supportive, flexible and encouraging. It was stated on several occasions that there was a perception that the majority of frontline staff were engaged in transactional behaviours when it came to dealing with head office staff. This is not surprising, as head office tends

to be responsible for the allocation of resources, financial control and human resource functions. These services tend to be provided either over the phone or through email, with very little face-to-face interaction between frontline staff and head office. This situation is reinforced in the organisation's written policies, procedures and communiqués (Communication Policy 2005).

5.2.4.3 Charismatic Leadership

Charismatic leadership at the very top of the NFPO was seen by several of the participants as the predominant leadership style. Frontline staff were more concerned about their immediate leaders and saw the senior leadership as distant. Several participants made comments similar to this one from their in-depth interview: 'It's funny actually when—as soon as you see the word leadership you think of [CEO] and it's obviously a very charismatic kind of leadership' [XX01]. Several participants referred to the charismatic leadership of the NFPO:

> I think the leader at the top of the organisation is very charismatic. I think the overall leadership meets the needs of some individuals within the organisation. I don't think it meets the needs of most of the individuals in the organisation [XX07 & XX04].

> I don't know what [leadership] is doing … I don't know that it has changed to keep up with the times. It seems like the old-fashioned charismatic style to me [XX08].

The data showed that the vast majority of the frontline staff perceived the leadership at the very top of the organisation as charismatic. Some saw the leader as a person to be revered and respected, while others found it difficult to relate to the most senior leader and thought much of this leader's behaviour to be ego driven, especially when reading such reports as:

> This month: I had personal discussions with His Excellency The Governor General of Australia; The Prime Minister and The Leader of the Opposition, was invited to give a key note address, was invited to speak at the inauguration of a new National President [and] was invited to be on television (Staff Report September 2004).

Some documents generated by frontline staff indicated that the CEO was held in awe by some frontline staff, as shown by the comment that 'the CEO will be here next week, he is

a very important man and it will be wonderful' (staff meeting minutes). Others saw the charismatic leader as synonymous with their perception that the organisation was a hierarchical structure.

5.2.4.4 Hierarchical Autocratic Leadership

There was no ambiguity in the meaning of the participants' comments regarding hierarchical autocratic leadership. Most participants saw many layers of management, with decision making and control resting with a few at the top:

> Very, very structured, very tiered. I think, I think at times it can be very high, very high in the hierarchy sort of scale, scale let's say, I've worked for many different sorts of organisations and this one seems to be very, very well hierarchically structured [XX06].

Although this relates equally to organisational structure as it does to leadership. Leaders strongly influence the structure and can perpetuate perceptions of a hierarchy. Lukes (2005) argues that power can be also exercised by preventing grievances - by shaping perceptions, cognitions, and preferences in such a way as to secure the acceptance of the status quo since no alternative appears to exist, or because it is seen as natural and unchangeable, or indeed beneficial.

The hierarchical structure of the NFPO, perceived by some participants, led them to see the head office as powerful, controlling and remote and something to be feared by at least one of the participants:

> The leadership at [NFPO] is like this MASSIVE hierarchy that sits up there, apart—I would say the boss of our industry is quite approachable and interactive and talks to us. I've spoken to a lot of the senior managers. I sometimes get the impression that they can't see outside of [head office]. [XX05].

> YOU as a person can build up a relationship with the people at [NFPO] so that their leadership means something to you—I mean, I've openly said it before, [CEO] just scares the be-Jesus out of me and I don't—I don't see them as an inspirational leader [XX06].

This perception of fear was stated in a number of in-depth interviews, two such examples being: 'So I know they're good at smacking hands when they need to' [XX02] and:

God yeah, when your boss is horrible to you, you could come to work being such an emotional wreck and you don't do what's right because you are so worried of getting yelled at [XXO4].

A feeling that it was 'his way or the highway' on the part of participants was not uncommon. However, this expression was not always overt, as depicted in this verbatim quotation from one of the frontline participants:

I think [CEO] is very powerful and has got his rules and regulations and I don't think he likes anyone to go over his head—I think at the end of the day his opinion is his opinion and if you don't like it then move on [007].

There were two quite different perceptions of the organisation's leaders from the frontline staff's perspective. First, was a view that at, a local level, leaders were generally supportive, interested in providing opportunities for learning and involved their staff in decision making. Second, the more senior leaders were generally discussed in terms of performance expectations, as making unreasonable demands and being distant and removed from the action:

I guess we see [senior manager] once a year, they are really only interested in what star rating (government performance rating system) we have achieved [005].

We work in one of the tightest labour markets in the state. How do they expect us to find people jobs when there aren't any? [006].

Very little documentation was generated by frontline staff that could be perceived as being critical or supportive of the organisation's leaders—the former for obvious reasons.

5.2.4.5 Summary

Transformational leadership appeared to be the preference of most frontline participants. Frontline staff valued a consultative and collaborative approach from their leaders. They appreciated the opportunity to extend themselves and to be encouraged. They expressed concerns regarding the abuse of leadership power and the consequences this had for them and their work performance.

Head office became a synonym for power and control. It was perceived as traditional and the seat of the hierarchy. Some frontline staff viewed leadership as hierarchically orientated, with some participants perceiving an autocratic leadership style as the predominant form. Some participants identified some leaders as to be feared and felt fearful in their presence.

The feelings expressed by these participants summed up a general feeling among the frontline staff that the leadership at the NFPO was generally autocratic.

The perception of leaders at the NFPO as being authoritarian, controlling, distant and frightening is worrying. Learning organisations are supposed to be free of behaviours that in any way threaten dialogue, creativity, innovation or learning. Trusting organisational environments may be a utopian dream. However, where fear and blame exist, trust between employees at any level is severely threatened and the likelihood that learning is occurring becomes diminished.

Learning organisations are said to thrive on their members challenging the status quo and being rewarded for innovation and creativity (Senge 1990). The overall impression from the three data sets was that, although there was some evidence of transformational leadership characteristics, hierarchical autocratic styles of leadership were also displayed by some leaders at the NFPO. This summary of this section concludes the findings, interpretations and triangulation of the data sets on leadership. The research findings for the next element of learning organisations to be presented are those relating to personal mastery.

5.3 The Findings: Personal Mastery—Data from Senior Managers and Frontline Staff

5.3.1 A Brief Commentary on Personal Mastery

Personal mastery is the term adopted by Senge (1990) to describe an individual's personal growth and learning to achieve a special level of proficiency. Becoming committed to lifelong learning is believed to enable a person to improve consistently upon performance. Reflection is an important aspect of personal mastery and involves the discipline of continually clarifying and deepening one's personal vision, focusing energies, developing patience and seeing reality objectively.

5.3.2 Introduction

The findings and interpretations of the data analysis on personal mastery at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior manager's responses and the frontline staff responses. Quotations from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses, concerning the themes or issues, is then offered, as the most likely interpretation of the findings from the in-depth interviews and documents on personal mastery. Finally, the findings, interpretations and comparisons of the data on personal mastery are summarised for both sets of the participants.

5.3.3 The In-depth Interview Questions and Documents Regarding Personal Mastery with Senior Managers and Frontline Staff

The participants were asked about their views on personal growth and development at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: To what extent has working at the NFPO assisted you to develop as a person and to what extent were you afforded the opportunity to discuss issues of learning with your manager? This two-part question was designed to explore personal mastery from two important perspectives, the first being the participants' personal experiences of growth and development and the second, the degree to which an open culture of learning and development existed at the NFPO. Documents revealed 25 extracts relating to personal mastery from the senior staff reports and minutes of frontline staff meetings.

5.3.4 The Findings from the Data on Personal Mastery from the Senior Managers

The findings and interpretations of the data analysis concerning personal mastery are presented in this section. The in-depth interviews offered the participants the opportunity to discuss personal mastery at the NFPO in a semi-structured way. In the main, the senior managers tended to answer the open-ended questions from two perspectives: how they perceived their own personal growth and development and how they perceived major barriers to their personal growth and development at the NFPO. A selection of the 18 extracts from documents concerning personal mastery is also included in this section.

The following comment is representative of the majority of senior managers when discussing personal mastery: 'This NFPO has helped me develop in own my own way, because it's left me to develop my own practices and my own way of doing things' [002]. When discussing personal mastery, the majority of senior managers believed that their development was an intrinsic, personally driven process; rather than the result of anything done by the organisation. However, they did acknowledge that they were given the opportunity for personal development: 'I've been able to put into practice ideas that I've had, fairly unhindered by management constraints' [004].

Overall, the feelings of the majority of employees are generally positive. Being autonomous, as opposed to being constrained by management, was an important aspect to developing personal mastery for a number of senior managers. The sense of being challenged was an issue for some and was summed up by the following comment: 'I guess there haven't been too many challenges to help me learn and that's one negative about the place' [005].

Barriers to personal growth and development were commented upon by several participants. These included lack time for reflection: 'I am too busy doing my job to spend time reflecting' [007]; lack of opportunities to expand their role: 'You must be careful not to exceed your boundaries with this outfit' [002]; and resistance to change: 'I would like to make some very radical changes to how we do things around here. I don't think it would go down too well though' [005].

Almost all of the organisations documents are optimistic. Most documents related to positive learning experiences and opportunities. The above behaviours and attitudes were not captured in any documentation scrutinised by the researcher. This may genuinely reflect that although some people in the organisation may demonstrate their frustrations in one-to-one interviews, they are not prepared to put their feelings on the permanent record. This comment by one senior manager is representative of this perspective: 'I am encouraged to speak my mind. However, whenever I do speak my mind there are always emotional repercussions' [001]. How people felt constrained was expressed in the following way by a senior manager:

> There's not much trust. I mean we had a meeting the other day and the opening statement was "that this organisation rules by fear". I said, "Hire brave people". So I guess in one respect I might have been one of those brave people, but I get whacked quite a lot [002].

It is difficult to reconcile such comments in terms of personal mastery. However, such fears and apprehensions are perhaps a sign that personal mastery is yet to be achieved by these senior managers. Further, an organisational culture that tolerates such repercussions

and chastisements is unlikely to inspire people to embrace the principles of lifelong learning, self-awareness and trust. One of the senior managers was more positive on the topic of personal mastery:

> There are a number of ways that working with the NFPO has assisted me, both personally in terms of my own personal development and in terms that relate to the standards and the quality of my life, as much as to my academic knowledge and ability [009].

This comment seems to illustrate a connection between personal learning and organisational learning as a reciprocal commitment between the individual and the organisation. This connection is an important aspect of personal mastery, in that the individual sees learning in all aspects of his or her life as important. Whether organisations see learning in quite this way is an interesting aspect to personal mastery.

The senior manager's comments below sum up most of the senior managers' perceptions of personal mastery when discussing learning and career development with their managers:

> The Personal Review and Development Plan is a standard process where we discuss our learning needs or our career needs, or needs in general with our manager. I feel that with both managers that I have, that I have an open door to discuss those at any time anyway [007a].

This comment highlights an important point: that a formal staff appraisal system, as a regular process for discussing learning and career development needs, was appreciated by a number of the participants.

The documents related to personal mastery centred on the following type of extracts:
'To promote the development of the NFPO as a learning organisation' (Senior Staff Report 2003; Training Network Report 2003), 'We should foster personal growth and development in ourselves and in our staff' (Management Advice 2003) and 'We should commit ourselves to lifelong learning' (Management Advice 2003).

5.3.4.1 Summary

The information from the data concerning personal mastery for senior managers highlighted two important aspects. The first was that the majority of senior managers saw personal mastery as something for which they needed to take responsibility. One or two senior managers believed the NFPO assisted in their personal and professional growth and development in some way.

Several senior managers focused upon the barriers that they believed inhibited their personal growth and development. This included cultures that contain threats to autonomy, repercussions for mistakes and chastisement. The lack of challenge, opportunities and time was an issue for some senior managers, as was the resistance to change.

The opportunity to discuss learning and development was seen as a positive aspect by the majority of senior managers. Individuals who have developed a high degree of personal mastery are said to be confident and capable in dealing with such phenomena as creative tension, emotional tension and structural conflict. In a discussion between individuals with highly developed personal mastery, issues of tension and conflict should be able to be maturely addressed. The data indicates that in at least some cases, this does not appear to be the case at the NFPO.

5.3.5 The Findings from the Data on Personal Mastery from the Frontline Staff

5.3.5.1 Introduction

The perspectives of frontline participants were gleaned from the in-depth interviews and relevant documents. When discussing personal mastery, there were both positive and negative responses to the questions posed by the researcher. Seven extracts from documents from frontline staff meetings related to personal mastery.

5.3.6 The Findings from the Data Sets on Personal Mastery from the Frontline Staff

The findings and interpretations from the data analysis on personal mastery are presented in this section. Some of the responses to questions concerning personal mastery from frontline participants referred to their lack of desire to discuss their learning needs with managers:

> Well I guess I've learned lots of things in my lifetime and I don't particularly have any other learning needs that I would like to discuss with my manager [XX02].

This participant, although not typical, did demonstrate the point that individuals hold the view that they no longer need to learn.

The issue of feeling incompetent or inadequate in some way when gaining new knowledge was an barrier to learning for some participants, summed up by the following comment:

> When they brought in EA 2000 (a new employment services IT platform) we had to abandon the way we had always done things. You feel unable to master the new technology and this makes me feel incompetent [006].

Others (four of those interviewed) felt that time was a factor and that the NFPO did not accommodate people's needs in this regard. This is summed up in the following comment:

> I guess I've been given the feedback as have other staff, but it's all in our own time "sorry we can't help you" but when I'm getting up at six o'clock in the morning and getting home at six thirty at night and try and water my garden and do all the other things, I don't have any other time to do any learning. It's something that I'm really pretty annoyed about I don't think they're (NFPO) taking their training responsibilities terribly seriously and only providing a, a lip service to what their obligations are [XX06].

Similar to the responses by the senior managers, some frontline staff saw their development and growth as a personal matter and as not being assisted by the NFPO:

> I don't think this NFPO per-se has helped me to develop as a person. I think I have developed as person while I've been here for eight and a half years, but I think that's because I am who I am not because of anything that NFPO has done [XX09].

In contrast, a participant with fewer years at the NFPO than the previous participant saw things quite differently:

> Being a receptionist, it gave me a lot of confidence and that has made me grow and it's made me interact with people and see how people interpret things. They've made me grow in a lot of ways and they gave me confidence. They let me have my opinion. They are very open-minded here. They give you a chance to speak your mind, so its let me grow in a lot of ways where in my other job I wasn't allowed to do that, so I'm very lucky here, so I find that its opened a lot of doors for me [XX04].

The extracts from documents revealed that the organisation did provide frontline staff with opportunities for personal growth and development:

> The NFPO's is a learning organisation where development and support of people as the NFPO's most vital asset is essential to self-motivation (Staff Report 2002).

> Learning and development is a vital component of our strategic and workforce planning (Staff Report 2002).

> The manager has approved for a staff member to attend a personal growth and development seminar (Staff Minutes 2005).

> Staff reported on their recent attendance at a personal growth and development seminar (Staff Minutes 2005).

> Staff in this site are currently working through the book, Seven Habits of Highly Effective People by Stephen Covey (Staff Minutes 2004).

It must be said that, although these documents did provide evidence that personal mastery was encouraged, it was fairly sporadic and un-coordinated.

Learning organisations are places in which mistakes are generally seen as opportunities for learning (Senge 1990). When discussing opportunities to learn through making mistakes, the majority of frontline staff viewed making mistakes in the following light:

> I do agree with the statement that mistakes are viewed as personal opportunities or growth opportunities. However, if the mistake is repeated I've found that the tolerance will become less for the same mistake, which is fair enough [XX05].

In general, the frontline participants did not find mistakes were severely punished. Most comments were on the lines of the comment above.

5.3.6.1 Summary

The data produced a consistent theme that personal mastery existed and was operationalised for some frontline participants. In the majority of the in-depth interviews and documents, there was a clear message that personal mastery was encouraged at this level of the organisation. Some individuals felt that they were perhaps no longer required to learn or that the organisation did not provide enough time for them to engage in learning. However, the majority believed that opportunities for personal development were plentiful.

The fear of feeling incompetent when faced with learning new knowledge is real for some participants. Not only do we need to learn new knowledge, but we also need to unlearn our out-dated or redundant knowledge. According to Schein (1996) 'unlearning is an entirely different process; involving anxiety, defensiveness and resistance to change' (p. 64).

Personal mastery is said to be the cornerstone of a learning organisation (Senge 1990), it is believed that an organisation's commitment to and capacity for learning can be no greater than that of its members. The findings for the concept of a shared vision are presented in the next section of this chapter.

5.4 The Findings: Shared Vision—from Senior Managers and Frontline Staff

5.4.1 A Brief Commentary on a Shared Vision

A shared vision is seen to provide a focus and to help develop a clear goal. It is also seen as providing a benchmark against which to compare current reality, being designed to increase the range of information and ideas within the organisation. An example may be the use of focus groups to achieve an alliance with the customer, or the use of strategic

alliances, which can then be used to find a new goal. A shared vision is a view of the future that many people are committed to, because it reflects their own personal vision.

5.4.2 Introduction

The findings and interpretations of the data analysis on a shared vision at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments. The documentary evidence is included to confirm or question the findings from the in-depth interviews. Quotations from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the theme is then offered, as the most likely interpretation of the findings from the in-depth interviews on a shared vision. Finally, the findings and interpretations of the data from the in-depth interviews on shared vision are compared, to form a summary for the both sets of participants.

5.4.3 The In-depth Interview Questions and Documents Regarding a Shared Vision with Senior Managers and Frontline Staff

The participants were asked about their views on a shared vision at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: To what extent 'does the vision of the NFPO reflect your own vision/mission/beliefs and to what extent have you personally influenced the vision of this NFPO'. This two-part question was designed to explore a shared vision from two important perspectives. First, it elicited whether the participants' believed their own vision, mission or beliefs aligned with the organisation's vision. Secondly, it identified whether individuals believed that they had been able to influence the organisation's shared vision in any way.

5.4.4 Findings from the Senior Managers on a Shared Vision

The comments from the majority of senior managers at their in-depth interview were reflective of the strong commitment to the NFPOs vision and values. 120 extracts in senior staff documents relating to a shared vision were identified, including: 'I believe all of our staff takes seriously the vision and values statement' (Senior Staff Report 2002) and:

> I liked the vision and values and I was irritated when people wanted to change it, mainly for marketing purposes. South Sydney wouldn't change their colours and so why should we change something that was made a hundred and fifty or something years ago when I see myself as the CUSTODIAN of the NFPO's values and beliefs, not as the owner of it [001].

Most senior managers believed that they had had a significant input into the organisation's vision and values, as encapsulated by these two responses: 'So in terms of the current Visions and Values, I had a significant role to play in developing those' [007a]; 'Staff live the values and I see evidence of this almost every day' (Senior Staff Report 2002) and:

> I've personally been involved in the development of the NFPO's Mission Vision and Values Statement. So I am extremely committed to both. I had a personal input into the Vision and Value Statement and I've had a role since last nine years I have personally implemented the values throughout the whole NFPO [008].

A standard part of any recruitment interview is the requirement for the prospective employee to articulate their commitment to the NFPO's vision and values clearly. Although at one stage, this requirement came under extensive media scrutiny because of its religious overtones, the NFPO stood firm and continued this practice (Recruitment Policy Document). The following is an extract from a television interview concerning this issue:

> Senior Manager: It means they have to affirm our Christian values. We are a Christian organisation; we have a certain culture, a certain ethos and they have to be comfortable to work within that culture (ABC 1999).

Five out of the ten senior manages saw the NFPO's vision and values as something deeply personal and reflective of their own personal vision and values. This was summed up in the following response:

> I'm all about justice and people—you know I cannot stand injustice and on any level for any kind of person for any reason. I think our organisation is pretty much the same [002].

The actual stated vision for this NFPO (Annual Report 2004) embraces the evangelical heart of the organisation. The vision is to bring alive the messages contained in scripture for the masses. The operationalisation of this vision is seen as providing services to people who are at the margins of society.

5.4.4.1 Summary

The senior managers clearly demonstrated a commitment to the vision of this NFPO. Most of the senior managers believed that they had a hand in developing and implementing the vision. From this perspective, it is evident that the NFPO's senior managers have a shared vision. This vision is held by some of the senior managers with religious fervour.

When subjected to intense scrutiny, the NFPO stood firm on its vision and values and was not prepared to compromise. This may be in part a desire to protect the core values of the organisation. However, one cannot ignore the evidence: that the senior managers also have a deeply personal attachment to the NFPO's vision and values, because of the affinity between the organisation's and their own personal values and beliefs. This would make any redefinition or reshaping of the NFPO's vision extremely difficult.

5.4.5 The Findings from the Data on a Shared Vision from the Frontline Staff

Documents revealed 12 extracts relating to a shared vision. The following responses at the in-depth interviews were shared by almost all of the frontline staff participants:

> I'm very happy to work for NFPO because I think their beliefs, vision and their mission are all very firm. I believe that they exist to service people, provide additional access to services and do so in an equitable and

reasonable manner and also because professionally I'm very committed to our standards of social justice. I couldn't agree more [XX02].

I was asked about the vision when I first started and I said that I understood it [XX04].

I'm very pleased to work for this NFPO. I find it an excellent organisation in terms of what their vision is [XX07].

This NFPO certainly supports the Christian values, which people may hold even if they're not a Christian—if you know what I mean. I think it, it personally reflects all that to me, my beliefs and the values that I have as a person are echoed and are there in the NFPO [XX06].

I'm a committed Christian, so the NFPO's vision, values and beliefs as they are on paper line up with what I believe perfectly happily [XX09].

There was no written data that indicted any sort of challenge or disapproval of the organisations vision or values. Predictably, no documents generated by frontline staff indicted dissent. However, the following comment does require consideration:

I don't have any influence. I'll often say to my manager, 'I wish I could write to the so and so and say such and such' and he said, 'Don't, it's not worth it, it's not worth the hassle that it will cause' [XX07].

Some of the frontline participants were eager to comment on the recruitment practices of the NFPO, in the context of how the employees' perception of the vision of the organisation plays such a central role in recruitment:

I would not only employ people with, with Christians values—very strong Christian values, but I would make them much more, much more of a part of the interview process and asking them whatever, or "what are your"—I would make their questions in the interview—you know, "Do you go to church?" "What are your values?" because I strongly believe that the holistic worldview is, one day is going to come unstuck. The people who the NFPO are employing at the moment, non-Christian people really can't provide the ultimate answer [XX10].

There were only two dissenting views from the other frontline participants interviewed, which were: 'I don't actually like the one we have. I don't like the vision [XX05] and 'The NFPO, as a church, does not reflect my personal vision, mission and beliefs at all' [XX11].

These comments were elicited from the in-depth interview data. The fact that the shared vision was not challenged in any way in documents may be interpreted in a number of ways. First, the recruitment practices of the NFPO more or less ensured that employees were committed to the vision or values for personal reasons. Secondly, people may have asserted their commitment to the vision and values at the time of the interview to secure employment. Finally, people may have believed it unwise to criticise the NFPO's vision or values publicly. No evidence was found of the organisation challenging its fundamental vision, values or beliefs in the data examined for this case study.

5.4.5.1 Summary

The recruitment practice of requiring potential employees to commit to the organisation's vision and values at the NFPO, to some extent, almost guarantees that the vision of the organisation will be shared by the employees. On the surface, it seems reasonable for an employer to ask for this commitment. Problems may arise when followers no longer see the relevance of the vision or become disillusioned with the operationalisation of the organisation's values. This NFPO fiercely defended its vision and values in the public arena. This stance may have created an organisational culture in which employees felt unable to voice their opposing opinions, not only on this issue, but perhaps also on a range of fundamental organisational beliefs.

Learning organisations are said to embrace the concept of examining their fundamental values, vision and beliefs. This is described by Argyris (1997) in his theory of triple loop learning. An organisational culture intolerant of being challenged by its members' opposing perspectives may be exposing itself to accusations of being dogmatic, ridged and exclusive.

5.5 The Findings: Team Learning—Data from Senior Managers and Frontline Staff

5.5.1 A Brief Commentary on Team Learning

Many organisations have tried to focus on teams. Self-managed teams offer the potential for downsizing organisations and the prospect of improving productivity (Chau 2008 Appelbaum, Bethune, Tannenbaum 1999). However, high performing, self-managed teams take time and effort to consolidate. A self-managed team needs to develop a culture that promotes lifelong individual and team learning Appelbuam, Bethune, Tannenbaum 1999). Team learning is an adaptation of action learning, originally proposed in the UK by the late Reg Revans. It focuses on providing solutions to business problems by developing an open approach to questioning. As Reg Revans once said, 'the mark of a leader is not the answers he [or] she gives but the questions he [or] she asks' (Revens 1982 p. 36). The environment for organisations is changing at such a pace that the solutions to problems are not found in books, journals or in the mind of the expert. Rather, they are found by team members themselves, who, through the process of team learning, can identify the key questions to be addressed. They may then seek to use their resources to find the answers, often through trial and error.

5.5.2 Introduction

The findings and interpretations of the data, from the in-depth interviews and documents on team learning at the NFPO, are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses. Comments from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participant's responses concerning the theme is then offered, as the most likely interpretation of the findings from the in-depth interviews on team learning. Finally, the findings and

interpretations from the data on team learning are compared in the form of a summary for both data sets.

5.5.3 The In-depth Interview Questions and Documents Regarding Team Learning with Senior Managers and Frontline Staff

The participants were asked about their views on team learning at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: To what extent is team learning fostered and encouraged in the NFPO and more specifically, describe examples of team learning. This two-part question was designed to explore team learning from two important perspectives. First, whether the participants believed team learning was fostered and encouraged and secondly, to understand their perceptions of team learning.

5.5.4 Findings from the Senior Managers on Team Learning

The findings and interpretations from the data analysis concerning team learning are presented in this section. Documents revealed no extracts relating to team learning.

The following responses from the in-depth interviews represent the most prevalent views expressed by the senior managers concerning team learning at the NFPO:

> Well we've struggled with teams. It's my thought you can't make a team happen, all you can do is invite people to the table. Hopefully, get them to understand what the mission is for the team and then trust that they'd be adult enough to accept the invitation and walk in and get on with it. Start rowing in the right direction [002].

According to the literature on team learning, this response is not unique. Consider this quotation from Senge (1990, p. 175), 'Meeting people from all around the world, I hear the same comment, "Oh, teams, yes we tried that but it didn't work"'.

Creating opportunities is a feature of several senior managers' approach to learning:

> Learning and education can be conducted in such a way that no learning takes place. I try and provide opportunities; people can learn if they want to. If they don't learn then they are probably not going to be with us for very long. Most of the people in our group are learning. I think they've all grown a bit - almost [006].

Leaving the responsibility to the individual may not be enough to encourage team learning. It has been found that teams are often motivated to learn if an autonomous learner takes a leadership role and demonstrates by example the benefits to the team (Goodman & Chalofsky 2005). This notion seems to be reflected in this comment from a senior manager:

> We look after our own individual needs, no one leads, we don't necessarily learn a lot from each other and even though we're all there we don't take the opportunity to learn a lot from each other [002].

The fact that no one sees it as their responsibility to manage team learning raises legitimate questions regarding the operationalisation of team learning at the NFPO. This is not to say that team learning is something that is alien to the organisation, as this quotation shows: 'I think team learning is encouraged in our organisation. I strongly believe in team learning' [007a]. The rhetoric here belies the fact that little evidence exists that team learning is actually occurring. A large number of documents exist concerning training at the NFPO. When scrutinising these documents, no specific reference was found for the need to encourage people to learn as a team.

Undoubtedly, some senior managers believe in the concept of team learning. However, no actual examples could be found of team learning occurring in practice at the senior management level. The following example is an attempt by some senior managers to understand the concept:

> One of the things that we've been doing is to, is to study a book on team work. It's John Maxwell's Seventeen Indisputable Laws of Team Work and we've been working through that on a chapter by chapter basis. Each week a different manager will present the lessons to be learnt out of, out of that chapter [005].

This is certainly a good start, perhaps once this senior manager and staff have shared this learning experience it may then be transferred to foster team learning in an operational sense.

5.5.4.1 Summary

The data concerning team learning at the NFPO did not reveal any meaningful activity in this area. There was a belief that team learning was encouraged and that it was a good thing. Based on these comments, team learning may emerge as something that the organisation pursues in the future. However, at this time, no real evidence exists to support the notion that the NFPO employs a team learning approach. The perspective on team learning from the frontline staff is presented next.

5.5.5 The Findings from the Data Sets on Team Learning from the Frontline Staff

The findings and interpretations from the data analysis on team learning are presented in this section. Documents revealed no extracts relating to team learning. The in-depth interviews revealed that the majority of the frontline staff was quite clear in their views concerning team learning:

> Well I don't think we've had any team learning [XX04].
>
> I've been to courses that the NFPO have provided, where the training's just delivered basically but no one goes away any the wiser or has learned anything from it and I thought it's really sad [XX02].
>
> Team learning? There is no team learning. There isn't—I don't believe there is, certainly not at head office level and there certainly isn't where I am now [XX08].
>
> I don't think I can recall a team learning or group learning activity in the last 12 months [XXO1].

There was a consensus view among the participants that no team learning was occurring at the NFPO. Teams were discussed in terms of work units. However, no data emerged that indicated that teams, not individuals, were the fundamental learning unit in this organisation. Documents from the NFPO were equally silent on the topic of team learning.

This is not to say that some individual events or work environments did not encourage learning. These examples from the in-depth interviews were uncovered:

> In terms of encouraging people to share what they've learned, I think that definitely happens in our group meetings [XX05].

> There're days that we go out as a group. Some may see this as not learning or working, but it actually fosters much more beneficial things in growth and developing that supports the team. So that's encouraged in our environment [XX10].

> I think as a team we all encourage each other to learn, to learn the things each other knows [XX05].

A certain amount of learning, from others is probably inevitable in any organisation. This is different to team learning, where dialogue and the capacity of team members to suspend assumptions are facilitated. Team learning focuses on the abilities of a group working together. It involves the interaction of people learning from each other as well as from the task at hand (Marsick and Watkins 2003). The learning takes place through the transfer of skills by observing others in action, collective problem-solving and experimentation, questioning assumptions and reviewing outcomes as a group.

This example, from one frontline participant indicates how dialogue was encouraged in some workshops they attended:

> I've also been to workshops up in Western New South Wales as part of their management re- structure and I found them quite productive. It's good if the group has a lot of dialogue and discussion and they talk back and forth and they bounce their ideas and if they are not scared to share them with people it's even better. If they are too scared and they need to just keep within their [insulated] group—I don't see that as productive at all. I just see all these little groups running around doing their own thing and not really talking to each other [XX04].

This participant makes the important point that dialogue can only occur in environments in which people feel free to express themselves. Trust and trusting is an important consideration for organisations that wish to foster team learning. While the senior managers argued that there was trust and leadership support, the frontline employees were less convinced and indicated that management did not really support learning.

The data from the in-depth interviews and documents concerning team learning at the NFPO indicated that team learning was not established in the organisational culture from the perspective of the frontline staff. The majority of those interviewed could not identify any activity or instance where team learning was practiced. Some encouragement could be taken from the fact that at least some participants felt that team learning was encouraged in their area. No doubt, learning from colleagues does inevitably occur at the NFPO. However, this would appear to be sporadic and un-coordinated.

5.6 The Findings: Mental Models—from Senior Managers and Frontline Staff

5.6.1 A Brief Commentary on Mental Models

Mental models are deeply ingrained assumptions, generalisations or images that influence how we understand the world and how we take action (Senge 1990 p. 8). The idea that people rely on mental models can be traced back to Kenneth Craik's suggestion in 1943 that the mind constructs 'small scale models' of reality that it uses to anticipate events. In this sense 'mental models' are akin to architects' models or physicists' diagrams, in that their structure is analogous to the structure of the situation they represent. Differences in mental models explain why two people can observe the same event and describe it differently.

5.6.2 Introduction

The findings and interpretations of the data analysis concerning mental models at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments.

Quotations from the participants' in-depth interviews are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the theme is then offered, as the most likely interpretation of the findings from the in-depth interviews and documents on mental models. Finally, the findings and interpretations of the data from the in-depth interviews on mental models are compared in the form of a summary.

5.6.3 The In-depth Interview Questions and Documents Regarding Mental Models with Senior Managers and Frontline Staff

The participants were asked about the concept of mental models at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: What kind of image are you trying to create when you describe this NFPO. This question was designed to explore the mental image the participant held of the NFPO when trying to describe the organisation to another person.

5.6.4 Findings from the Senior Managers on Mental Models

Documents revealed 19 extracts relating to mental models. In eliciting the metal models held by the senior managers, the managers were encouraged in their in-depth interview to describe the image that depicted the NFPO. These descriptions included: 'What I see is a church first of all that has all of these little sorts of core structures coming out of it' [004], 'It's an organisation full of good people doing good things in the main' [007a] and 'I just see an organisation that genuinely cares about what it's doing and tries to do it as best as it can' [001].

The majority of senior managers saw one or both of the following images: an organisation that does good things for people in a welfare sense, or as a church. Six of the senior managers saw both a church and a welfare organisation. Two of the senior managers saw

the organisation solely as a church that happened to do welfare work. The remaining two senior managers interviewed had a somewhat different image, which related to the people in the NFPO:

> I see some toxic ones in there. You'll probably interview them. Do you want me to name them? I can give you list of names: they do a lot of damage [002].

> It's an organisation that does do amazing things. It's just a pity it could be—could do more, a lot more than it does if it really was an organisation that followed what it said it did. So that's the frustrating thing about, about the NFPO [003].

The reference to 'toxic' people in the organisation as the principle image is from one participant. This could be interpreted as an expression of that participant's frustrations or a genuine belief that some people in the organisation were set to do it harm. The second participant's comment could contribute to the perception that the organisation may be perceived by some people as being hypocritical. The perception that the NFPO did not always do what it said it did was commented upon by several senior managers, who gave examples of how the organisational culture espoused a philosophy of caring, yet held firm negative views concerning some individuals or minority groups. This perception of double standards is concerning. Scrutiny of documents did not reveal any clear examples of contradictory images promoted by the organisation.

No examples of documents that challenged the image of the NFPO as church of word and deed were found. Documents critical of the organisations position on a number of issues existed in the popular press. They did tend to dichotomise the organisation from a public perspective. However, this was not evident from the data in this study. Most extracts of documents affirmed that the organisation was strong and successful, for example: 'this NFPO has stood successful and strong because we remained true to our heritage, our calling and our values' (Annual Report 2002).

5.6.4.1 Summary

Two clear images of the NFPO emerged from the senior managers' data on mental models. The first image was that of a church. The second image was of a welfare organisation that was caring and benevolent. Some of the senior managers described a discrepancy in terms of what the NFPO said it did, as opposed to what it actually did. This may have been, in part, due to some of the media commentary concerning various issues that emerged, from time to time, concerning some of the more fundamental views expressed by the CEO. Alternatively, this perception could be reflective of an insider's awareness that there was an unwritten and seldom discussed double standard in existence at the NFPO. As this was not written down, no data emerged to support this interpretation.

5.6.5 The Findings from the Data Sets on Mental Models from the Frontline Staff

The findings and interpretations from the data analysis on mental models is presented in this section. Documents revealed 15 extracts relating to mental models. The frontline participants' images of the NFPO had a slightly different emphasis than that of the senior managers, as seen in the following quotations:

> When I think of this NFPO, I don't think of a church, I think of a welfare organisation and I like to think of it as a caring organisation that cares about its staff as well as the people that it helps [XX02].

> I guess I'm looking at this NFPO as being a sensitive, aware, caring, committed organisation, where people who are disadvantaged are listened to, have their needs understood and where possible have their needs met [XX07].

> I think of it as a very positive, very positive company and even though things might go wrong sometimes, the aim of the whole organisation is to help and make it a better place and I think they achieve that. I mean there is always room for improvement but I think they achieve that, so that's, that's my perception and I haven't really found in the two years that I've worked here that it has been any different, to tell me that it's different [XX10].

This representation of the NFPO was the most common image put forward by the frontline participants. The emphasis on the organisation's welfare work is to be expected from this group, as they are typically in direct contact with the recipients of the NFPO's health and welfare services.

One frontline participant did see the NFPO primarily as a church:

> So first thing that pops into everyone's head is, "the CEO" and then sort of a church and then sort of a business and then sort of the charity work he does—yeah so, but it always pops in my head as sort of a church first, I think [XX07].

The reference to the CEO reinforced the perception that the leader was very much the public face of this organisation. Most of the documents relevant to the frontline staff emphasised the expectation that they should be active members of the church. Regular communiqués were sent to frontline staff reminding them of the central purpose of the NFPO being primarily a church.

The issue raised by this frontline participant seemed to echo the concern expressed by two of the senior managers: 'When I think of this NFPO, I actually don't think very kindly of it, because it seems to me to be hypocritical quite honestly. They just seem to me to be hypocritical' [XX03]. When asked to expand further, this participant gave examples in which they believed that the organisation professed to be one thing, yet in reality was, demonstrably, quite another.

5.6.5.1 Summary

Asking frontline participants to describe their mental model of the NFPO revealed two principal perspectives. The first was that they mainly saw the health and welfare work of the organisation as being its primary image. This is not surprising, as although it was regularly reinforced that the NFPO was a church, these staff were typically at the frontline of the organisation's public services on a daily basis. The second image of the NFPO was

that of a church. This was probably the result of two complimentary forces: the first being that the organisation proactively recruited from its church membership and, secondly, that the senior managers regularly reinforced that the organisation was primarily a church. It was interesting that none of the images put forward by the participants included a culture of learning. For the organisation to embrace learning as a core value, the mindset of the organisation will need to be changed. This will require all individual mental models to be altered via learning and the re-evaluation of the organisation's values and beliefs (Senge 1990). Moreover, to promote learning, mental models would need to be shared, so that common understandings can be reached concerning the fundamental purpose of the NFPO.

The issue of the NFPO being hypocritical from the perspective of at least one frontline staff member, coupled with the comments by the senior managers, makes this a noteworthy issue. As such, it is explored further in Chapter Six. The findings for the concept of systems thinking are now presented.

5.7 The Findings: Systems Thinking—Data from Senior Managers and Frontline Staff

5.7.1 A Brief Commentary on Systems Thinking

Systems' thinking considers the organisation as a complete system in which everything affects everything else, connecting the organisation with its environment. It has to do with learning how to see the interdependence of the parts. Processes of change are always going on around us, but we do not normally see them. That is why delays and feedback loops are so important. In the short term, you can often ignore them: they are inconsequential. They only come back to haunt the organisation in the long term (Argyris and Schon 1998). Failure to understand system dynamics can lead to 'cycles of blaming and self-defence: the enemy is always out there and problems are always caused by someone else' (Bolman & Deal 1997, p. 27).

Systems' thinking is the cornerstone of Senge's approach to learning organisations. It is the discipline that integrates the other disciplines, fusing them together into a coherent body of theory and practice (1990, p. 12). The systems viewpoint is generally orientated toward to a long-term view.

5.7.2 Introduction

The findings and interpretations of the data analysis concerning systems thinking at the NFPO are presented in the following sequence: the research questions asked by the researcher and the participants responses with comments.

Quotations from the participants responses' are used to identify and explain the shared, contrasting and contrary responses for the theme of systems thinking. The researcher's representation of the participants' responses concerning the themes is then offered, as the most likely interpretation of the findings from the in-depth interviews and documents concerning systems thinking. Finally, the findings and interpretations of the data from the in-depth interviews on systems thinking are compared in the form of a summary.

5.7.3 The In-depth Interview Questions and Documents Regarding Systems Thinking in the In-depth Interviews with Senior Managers and Frontline Staff

The participants were asked about systems thinking at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: To what extent does the NFPO integrate its various services. This question was designed to explore whether the participants saw the organisation as a series of disconnected parts or as an integrated whole.

5.7.4 Responses from the Senior Managers' In-depth Interviews on Systems Thinking

Documents revealed ten extracts relating to systems thinking. The senior managers might be expected to have what could be termed a 'helicopter' view of how parts of the organisation relate to each other. The following responses' are representative of the views of the senior managers on how they perceive systems thinking at the NFPO:

> I have a very comprehensive knowledge of each of the services of the NFPO. I believe with my involvement in the past ten years, I have a very sound understanding of its role and the direction it is going in [004].

However, knowledge of the various services at the NFPO is different to how they might relate to one another in a systems thinking sense, as this respondent understands:

> We've talked for ages about how we integrate the various parts into what we do and I would express some disappointment that the way that we've only done that up to a very marginal level. This NFPO is not integrated [002].

The general consensus of the senior managers was that they did not believe that the NFPO was a complete system in which the whole organisation is greater than the sum of its constituent parts: 'In the area that they should have integrated, the various welfare programmes and services to the client are not integrated' [008]. This fragmentation would inevitably detrimentally affect other areas of the organisation. Particularly concerning is the view that: 'I am not really that interested in what the others (senior managers) do. I look after my own patch and if this impacts negatively on someone else, so be it' [002]. This view prevailed when discussing the interconnectedness of the various components that made up the organisation as a whole. Not only did the senior managers fail to see the NFPO as a complete system, they were also unable to articulate how even the most homogenous parts of the organisation related. Some parts were seen as almost completely separate:

> Corporate services, I think is relatively well integrated as a corporate services all the different programmes, but care and community is not integrated enough at all. Pastoral seems to be up on the side, doing its own little thing and people just really don't pay an awful lot of attention to it apart from senior staff [003].

The corporate services arm of the organisation is essentially based in the head office, with departments such as human resources (HR), finance and marketing and quality assurance

physically located in the same complex. This physical location may give an impression that these services are interdependent. The problem seems to be that the delivery part of the health and welfare arm of the organisation is geographically separate from the head office. The view held of the pastoral department is an interesting one, especially considering that the majority of senior managers saw the organisation as primarily a church.

Annual reports, senior staff reports and communiqués tended to divide the organisation into its various parts. Little or no attempt was made to show how the various components related to one another in any meaningful way. Each service was reported upon as an independent autonomous entity, even within industry groups, such as health, disabilities, homelessness and employment. An almost competitive rivalry is noticeable in the documents (see Senior Staff Reports 2002–2006). This was particularly evident in the nature of the relationship between the Learning and Development team and employment services. It was evident in the reports that a tension existed in terms of who should be providing training to clients who were long term unemployed. The term 'silo' was used in several in-depth interviews to describe how the various arms of the organisation were disconnected.

5.7.4.1 Summary

From the perspective of the senior managers, a picture emerges that the NFPO values the independence of its services. Interdependence, although a frequent topic of discussion, rarely if ever, actually existed in the minds of the senior managers interviewed.

In areas that would appear to lend themselves to an integrated approach, a culture of rivalry and competition exists. The two major service delivery arms of the organisation: community services and health services have little or no meaningful operational relationships at this time.

The physical location of the various services may give an impression of integration. However, this does not explain why at least one of the departments (pastoral) is perceived as separate. Further, none of the senior managers interviewed were able to give real examples of how the various components of the organisation might have an effect upon the other parts. This reinforces the perception of the NFPO organisation as having a silo-like structure, which operates independently as opposed to interdependently. It is reasonably safe to conclude from these findings that, at this time, the senior managers at this NFPO do not practice a systems thinking approach.

5.7.5 The Findings from the Data on Systems Thinking from the Frontline Staff

The major themes and issues that emerged from the data analysis are presented in this section. Documents revealed no extracts relating to systems thinking.

The data from the frontline staff portray, to some extent, a bottom up perspective of the NFPO. The frontline staff perceptions tend to focus on their own area of operations, although some participants did have a good understanding of the workings of the NFPO in silos: 'This NFPO is often viewed in sort of silos and in these silo's you work perfectly. There doesn't seem to be any horizontal paths across those silos [XX02]. When discussing how the organisation integrates its services, the following responses were representative of the majority of frontline participants: 'we're trying to integrate, but then again, if we saw a gap we wouldn't be afraid to the use the other services. There's not a problem about that' [XX05].

The view that the various services within the organisation could be utilised was a common one. However, it was portrayed as almost the same relationship as referring to another organisation. Little or no consideration was given to the impact of the referral upon either the referring service or the service to which the referral was given. For some participants the difference of how the organisation operated centrally and rurally was an issue:

> I don't think they integrate. They are ok in head office, but what would they
> know. I don't think they integrate well rurally. Don't think the actual

> services that they have—like Aged Care and Disability Services and Drug
> and Alcohol Counselling—I don't think they integrate really well with each
> other at all. [XX07].

An interesting aspect of the above comment is how the participant's response appears detached. The use of the word 'they' as opposed to 'we' may indicate a degree of detachment from the organisation. Alternatively, it may be just a figure of speech.

The theme relating to the perception of how the organisation integrates its services was commented upon by most of the frontline participants in similar ways to this:

'To be quite honest, I would say badly. I would say quite badly. Everything has a link to head office in one way or one form or another' [XX08]. The link to head office was generally perceived as a controlling relationship, it was not necessarily seen as an interdependent relationship. Frontline staff documents mostly consisted of minutes of meetings. These were generally quite formal and, to some extent, sanitised. Few, if any, references to systems thinking could be elicited from this source of data. Again, the following comment supports the notion that knowledge of the organisations services is not the same as them being perceived as integrated or interdependent:

> I think people just sort of seem to look inside their own little area of work
> and yes they might know what else the NFPO does, but as to whether
> interdependence is actively encouraged, I'd say not [XX03].

5.7.5.1 Summary

The in-depth interviews and documents concerning systems thinking from the frontline participants' perspectives essentially corroborated the data from the senior managers. The frontline participants discuss the issue of integration and most of the participants have a reasonable understanding of what the other parts of the organisation do. A persistent theme emerged from these findings: that the NFPO operated in 'silos'.

The discussions concerning integration and knowledge of services have not led to a meaningful operationalisation of the systems thinking concept. This makes the NFPO

vulnerable to cycles of cross-departmental blame and self-defence, with individuals thinking that problems are always the responsibility of someone else.

The perception of head office as omnipotent from the frontline staffs' perspective seems to impede, rather than facilitate, the perception that the organisation functions as an integrated whole. The findings concerning the concept of entrepreneurialism at the NFPO are presented next.

5.8 The Findings: Entrepreneurialism—Data from Senior Managers and Frontline Staff

5.8.1 A Brief Commentary on Entrepreneurialism

Entrepreneurialism refers to 'the processes, practices, and decision-making activities that lead to new entry' (Lumpkin & Dess 1996, p. 136). Entrepreneurialism is revealed through organisation level characteristics as summarised by Miller (1983, p. 771):

> An entrepreneurial firm is one that engages in product market innovation, undertakes somewhat risky ventures, and is first to come up with "proactive" innovations, beating competitors to the punch.

Such characteristics are associated with improved firm performance in today's business environments, in which product and business model life cycles are shortened (Hamel 2000) and the future profit streams from existing operations are uncertain, with businesses needing to seek out new opportunities constantly (Wiklund & Shepherd 2005). Several studies have found that firms demonstrating a more entrepreneurial strategic orientation perform better (Wiklund 1999, Zahra 1991, Zahra & Covin 1995). However, Smart and Conant (1994) did not find a significant entrepreneurial–performance relationship and Hart (1992) argued that an organisation's entrepreneurial strategy-making mode may even lead to poor performance under certain circumstances.

Entrepreneurial organisations are innovative and risk-tolerant. Therefore, they provide the internal environment through which learning through exploration and experimentation is

most likely to take place (Hamel & Prahalad 1991, Slater & Narver 1995). However, to benefit from these entrepreneurial efforts, a firm must be committed to learning; open-minded to new information and new ways of doing things and most importantly, engage in shared interpretation of information through which a consensus on the meaning of the information is achieved (Sinkula 1994, Slater & Narver 1995).

5.8.2 The In-depth Interview Questions and Documents Regarding Entrepreneurialism in the In-depth Interviews with Senior Managers and Frontline Staff

The participants were asked about their views on entrepreneurialism at the NFPO. Both the senior managers and frontline staff were asked the following open-ended questions: To what extent is there a willingness to break with old patterns at this NFPO and to what extent does the NFPO encourage you to take risks and promote innovation. These two questions were designed to explore entrepreneurialism from two important perspectives. Firstly, to elicit if the participants' believed there was a willingness to challenge the status quo and secondly, to make comment upon risk taking and innovation at the NFPO.

5.8.3 Introduction

The findings and interpretations of the data analysis on entrepreneurialism at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments. Quotations from the participants' responses are used to demonstrate the responses of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the themes is then offered, as the most likely interpretation of the findings from the in-depth interviews on entrepreneurialism. Finally, the findings and interpretations of the data from the in-depth interviews and documents on entrepreneurialism are compared in the form of a summary for both the senior managers and frontline staff.

5.8.4 Findings from the Senior Managers on Entrepreneurialism

The senior managers comments were divided into: comments relating to their own entrepreneurial behaviour, the behaviour of their staff and the attitude of the organisation towards entrepreneurial behaviour overall. Documents revealed 20 extracts relating to entrepreneurialism. When speaking about their own capacities to innovate and take risks most of the senior managers' attitudes could be summarised by the comments:

> Now, in my team, people are encouraged to be innovative within my area of authority and there's no holds barred and there is no consequences of failure [008].

> There is plenty of scope to go outside the pattern. To go outside the current mould and create new moulds [001].

> All of the experimentation that I do is done without the knowledge of the NFPO's leadership [002].

Although the above comments signal that innovation and risk taking was occurring by some individuals. The comment that that this was without the knowledge of the NFPO raises questions of whether risk and innovation could actually be supported by the most senior levels of the organisation if they were not aware of it. One participant also questioned the organisation's commitment to a culture of entrepreneurialism:

> We're open to ideas and innovations, but I'm not sure that we're as willing to change the way we do things as we would like to think we are [003].

To some extent, some managers thought of themselves as innovators and risk takers. However, there remains a question about the legitimacy and perception of innovation and risk taking at the NFPO by the organisation's leaders, as reflected in the comment that: 'My manager lets me take all the risks I like. He will also let me take the lumps if any come from failure (laughs)' [002] and:

> I see there's been a bit of a paradigm shift in the risk taking. Before it was encouraged and there weren't major ramifications, but now there is a culture of blame [003]

The question of senior leadership and trust is an important one for some of the senior managerial participants. According to one respondent:

> The NFPO does encourage us to innovate. I think that's very good. They allow me to innovate because management doesn't understand my area. They trust me to innovate wisely sometimes and they allow me to do things which may not be allowed in other organisations from a risk point of view [004].

Some managers believed that the NFPO trusted them to innovate and take risks and this belief may be well founded. However, it is difficult to accept that senior management would unconditionally support innovation and risk taking of which they were unaware.

The most senior manager (CEO) most definitely portrayed himself as an innovator and risk taker. This was evidenced in the financial risks the CEO had taken in the past. These risks are well documented in the organisations historical documents. Other senior managers, while agreeing that innovation and risk taking was encouraged at the NFPO, reported that this was not without its difficulties:

> Breaking old patterns is a terribly hard thing to do here. It's taken SIX years of nagging get to credit cards. It's taken nearly six years for them to come to terms with the fact that we can actually get cards for free [006].

Another respondent commented that: 'We try hard in my area, but then we come to barriers, this is when we run into some old and defensive methodologies in head office' [010].

Barriers to innovation, experimentation and risk taking expressed by the senior managers involve two distinct attitudes. The first could be described as 'cavalier'; for example: not telling others what they are doing, or expecting that others will not understand what they are doing. The second is that innovation and creativity becomes bogged down with defensive and traditional behaviours.

5.8.4.1 Summary

The overall impression concerning entrepreneurialism at the NFPO is that the leader is a self-proclaimed social entrepreneur. The senior managers perceive themselves as either having the space to be entrepreneurial or creating the space themselves: the latter, being a risky strategy. Some senior managers believed they were trusted by the senior leadership to

take risks and to innovate. However, no documented evidence existed to support this notion. A culture of blame was referred to by one participant.

There appear to be barriers to innovation at the NFPO. These were expressed as defensiveness at the head office level, a personal fear of not being supported when things go wrong and a culture of blame. There exists the possibility that, due to the capricious nature of the organisations leader, transparency, openness and honesty, from the senior manager's perspective, could be compromised.

The corporate functions of head office would most likely foster a culture of risk aversion. This is not unusual, as diverse organisations are vulnerable to disloyalty, the lack of a shared vision by all members and operational conflicts.

The issue of trust becomes a poignant force in the relationships between the senior managers and the NFPO. Can trust really exist when senior managers are innovating and taking risks without the knowledge of their leaders? One would have to conclude this is a highly risky strategy for any organisation. For a learning organisation, this lack of trust between leaders, managers and, potentially, their staff would likely be a major problem.

5.8.5 The Findings from the Data Concerning Entrepreneurialism from the Frontline Staff

The major themes that emerged from the data analysis on entrepreneurialism are presented in this section. Documents revealed 33 extracts relating to entrepreneurialism from minutes of meeting involving frontline staff.

When discussing entrepreneurialism at the NFPO, the majority of the frontline staff participants had very diverse perspectives:

> In my area our manager is very proactive and very forward thinking and she's always looking at doing new things in a better way. So if, if there is ever a way to do something differently its always listened to and always

encouraged to bring those thoughts up as a group, so there is—there's a, very much a willingness to do that. We don't rest on our laurels of what's been done before is ok, is the best because it's been done before, we are always looking at innovation and change [XX02].

Some were more qualified in their responses, as the comments below indicate:

'She allows us to take a few risks providing they're fairly calculated' [XX04]. Others see things somewhat differently:

So it's never really a case of taking a risk. We are not really given that opportunity, but I think it would be viewed negatively if the senior manager was not aware. Everything is so much, under control, if you know what I mean? [XX05].

This perception that innovation and risk taking was being controlled was generally expressed as a concern for protecting the NFPO from adverse consequences, such as bad publicity or negative opinion.

For the majority of frontline participants the concept of entrepreneurialism at the NFPO was perceived in quite a different light, summed up by the comments from these two frontline participants:

ABSOLUTELY NONE. If we wanted to do something differently, you wouldn't be allowed to, I don't think, and I certainly don't think that experimentation is endorsed and championed by this NFPO [XX11].

Because of all of those sorts of negative things that are fostered within the organisation, how can you be a true entrepreneur—you can't, because then it means you take risks without knowing all the risks and the consequences of those risks and people have fallen flat on their faces a number of times [XX09].

When discussing other people in the NFPO who were perceived as innovators or those who have taken risks, three of the ten participants cited examples of people failing and being reprimanded. Some frontline participants questioned the organisation's capacity to innovate, stating that 'experimentation—no I don't think the right innovative people are in the organisation to be able to lead innovation' [XX010], 'because of the way that it is organised there's no risks. Very little risks are taken' [XX07] and 'I wouldn't say this NFPO, as a whole, encourages you to take risks' [XX01].

To some extent, mixed messages were reported by the organisation concerning innovation, creativity and risk taking. The documents generated at the senior staff level indicated that the NFPO was extremely innovative and courageous. The leaders of the organisation championed innovations at the NFPO in a variety of documents. New services, programmes and businesses were frequently prefixed with the words 'innovative' or 'creative'. Less of the documentation used the terms 'experimental' or 'risk taking'. There was a general perception that taking risks was not an acceptable behaviour for frontline staff (Management Advice & Senior Staff Reports 2003–2006). For example 'the idea of a paperless office is something that we have discussed and are keen to progress – however, please ensure paper copies of all activities continue to be filed'.

5.8.5.1 Summary

The two main opinions concerning entrepreneurialism at the NFPO consisted of a minority view that innovation, creativity and risk taking were encouraged and supported and the more common view, which highlighted that the environment was so controlled that innovation, creativity and risk taking were virtually non-existent and questioned the organisation's capacity to innovate or take risks.

The responses from the in-depth interviews and documents provided an inconsistent array of data. The frontline staff overwhelmingly described a culture that was conservative in terms of experimentation and risk taking. However, organisational documentation portrayed the NFPO as an organisation that encouraged innovation, creativity and risk taking. The findings concerning open organic organisational structures are presented next.

5.9 The Findings: Open Organic Organisational Structures—Data from Senior Managers and Frontline Staff

5.9.1 A Brief Commentary on Open Organic Organisational Structures

The assumption is that the communications and information needed to improve the organisation is restricted by the organisation itself due to its structure, culture and power. New structures and working practices are seen to unblock the learning barriers and allow new ideas to form and be communicated. Schein (1993) discusses how to start and maintain dialogue, which is thought fundamental by several writers (Cohen 1997, Isaacs 1999, Nonaka & Takeuchi 1995). Organisational structure has the capacity to facilitate or impede an organisation's capacity for learning.

5.9.2 Introduction

The findings and interpretations of the data analysis on open organic organisational structures at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments. Quotations from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the theme is then offered as the most likely interpretation of the findings from the in-depth interviews and documents concerning open organic organisational structures. Finally, the findings and interpretations of the data from the in-depth interviews and documents on open organic organisational structures are compared in the form of a summary, for both the senior managers and frontline staff.

5.9.3 The In-depth Interview Questions and Documents Regarding Open Organic Organisational Structures from the In-depth Interviews and Documents with Senior Managers and Frontline Staff

The participants were asked about their views on the organisational structures at the NFPO. Both the senior managers and frontline staff were asked the following open-ended questions: How would you describe the organisational structure at this NFPO and to what extent does the formal organisational structure assist or impede you in your role. These two

questions were designed to explore the organisational structure from two important perspectives. Firstly, to describe the structure from their own perspective and secondly, to elicit if the participants' believed the organisational structure assisted or impeded their work.

5.9.4 Bureaucratic Management Style

This was the major theme to emerge from the in-depth interviews with the senior managers, as seen by the following comments:

> The overall structure of this NFPO is traditional. I think it's been too bureaucratic and head office has a lot of say in what's done and how it's done and I think that's something that needs to be addressed for the organisation to really move ahead [008].

> It seems to me that our organisation is very hierarchical; there is a clear chain of command, which you circumvent at your peril. Everything is ruled by policies and procedures, possibly due to the demands of the funding agency (008).

> Breaking old patterns [of behaviour] is a terribly hard thing to do here. It's taken SIX years of nagging to get credit cards. It's taken nearly six years for them to come to terms with the fact that we can actually get the cards for free [002].

> The NFPO has been LET DOWN BADLY and I blame the emphasis of quality management FOR this, because a lot of time is wasted discussing policy and procedures instead of going on and doing it and that is a cultural thing and that is A LACK OF LEADERSHIP thing in allowing that to happen. I don't blame the quality people for that; I blame the LEADERSHIP in allowing that to happen, specifically, senior manager X AND the CEO [003].

> Within the NFPO, in terms of creativity and innovation, there's actually two cultures … There is a hidden culture of blame at the senior level. Conversely, in my team, people are encouraged to be innovative within my area of authority and there's no holds barred and there are no consequences of failure [005].

Several senior managers expressed concerns regarding a culture of blame, while others were frustrated by excessive red tape and slow responses to issues and an emphasis on policies and procedures that they perceived as barriers to learning, creativity and innovation.

5.9.5 Findings from the Senior Managers on Open Organic Organisational Structures

The major themes that emerged from the in-depth interviews and documents are presented in this section. Documents revealed 25 extracts relating to open organic organisational structures. When describing the organisational structure at the NFPO the senior managers had quite definite ideas of how the organisation was structured:

> The overall structure of this NFPO is traditional. I think it's been too bureaucratic and head office has a lot of say in what's done and how it's done and I think that's something that needs to be addressed for the organisation to really move ahead. I think things can be done and put in place without bureaucracy taking over and I think that has happened in some areas, but there are others that are still, still very bureaucratic [008].

This response was typical of many who saw the organisation as traditional and structured around a central bureaucracy. The fact that the majority of the organisations services are in geographically diverse locations did not to appear to influence this opinion. Some senior managers expressed frustration at the formal organisational management structure, saying: 'I think possibly we have become too top heavy' [007a] and:

> The organisational structure is too top heavy. We have got too many line managers and not enough workers—too many chiefs and not enough Indians [005].

When talking about the structure, this senior manager described how the organisation's structure assisted or impeded their role:

> So, the formal organisational structure actually impedes my role. An example is where we've actually built systems for people and they don't use them and there's no review of why they don't use them and no management push. Where if that happened in other businesses, there would be a lot of questions asked [008].

In the interviews, the majority of senior managers complained of the organisation's bureaucratic structure. However, there were instances of senior managers enforcing the formal structure and ensuring compliance to protocols for delegations and decision making. The large volume of policy and procedure manuals was ample evidence of the organisation's adherence to a formal and hierarchically based decision-making structure.

This senior manager represented the general notion that, in spite of the formal structure, they just went about their business when remarking: 'The organisational structure at our NFPO is in silos. They all do their business and I do my business' [004]. Others were concerned with the issue of openness, as in the case of this respondent: 'I don't think there's enough transparency at this NFP' [007].

An organisational structure, which is predominantly hierarchical and bureaucratic, may be perceived by some of its members and external stakeholders as closed. Such structures are subject to criticisms about their perceived lack of transparency, inability to change and learn or to create an environment in which people may 'just do their own thing'. The documents reinforced the formal organisational structure and frequently highlighted the need for all staff to adhere to this structure.

5.9.5.1 Summary

The idea that the NFPO is overly bureaucratic and top heavy, as reported by senior members of the organisation, is an interesting one. Most saw the formal organisational structure as an impediment to being effective. Invariably, managers found ways to either ignore or work around the formal structure. The documentation, almost exclusively, reinforced the hierarchical and bureaucratic structures in this NFPO. Great store was put upon formal organisational charts clearly delineating the various roles and responsibilities of the various levels of management, for example. The notion that such an organisation is organic and open is difficult to believe.

Transparency in organisations can be viewed from a number of perspectives. The comments in this case probably refer to a lack of transparency in decision making. Senior managers were bemused that they would hear something about the organisation for the first time in the media. Lack of transparency can also refer to organisations that portray themselves as one thing while behaving in a contrary manner. Transparency might also be perceived in organisations that are open and prepared to expose their weaknesses as well as

their strengths. The dangers for closed, non-transparent organisations is that individuals or coalitions, at the senior level, may conspire to operate in a way that is contrary to the organisation's core values, beliefs and mission.

5.9.6 The Findings from the Data Concerning Open Organic Structures from the Frontline Staff

The findings and interpretations of the data analysis on open organic organisational structures are presented in this section. Documents revealed no extracts relating to open organic organisational structures.

Frontline participants, represented in the following comment, saw the organisation's structure as inextricably linked to the organisation's leadership: 'I think there are some problems with the structure because of the way transactional leadership is working' [XX03]. Clearly, it is the role of leaders to clearly define and articulate the organisational structure. It is also a leadership responsibility to be aware of how structures might be impeding organisational processes. Further:

> One of the other things that people have observed is that, in terms of the organisational structure, it doesn't always easily mesh with head office, so there are sometimes barriers to get things done because of processes [XX05].

The perception that the organisation's head office is hierarchical and bureaucratic persists as a major theme in this case study:

> Head office is like a big set of big gates that just get opened slightly at a particular time and you can go in. It's not an approachable place to me. I've got people, I've got friends that actually work there and I can go and see them and I'm quite comfortable, but as an organisation as a whole, the structure of it seems to be very centralised in head office and they can't think outside that. Which makes it very hard for people like us? [XX011].

For some frontline staff, it is just a matter of doing their work the best way they can:

> It doesn't make any difference; I just do what I do. I mean, one good thing, I suppose, is that I do know that if I needed to I could go to the CEO, I could email the CEO. But there are things that I wouldn't email him about.

> Like I'm going to email the CEO and I go, "No, that's not a good idea"—
> you know. So, at one level, yes I could, but another level, I don't want to
> cut my nose off to spite my face either [XX02].

The issue of being able to contact the leadership is supported by the organisation's documents on this subject. The organisation's newsletter in fact canvasses staff to bring their concerns to the attention of the CEO through an email. How many people have taken this opportunity is not known to the researcher. Documentation relating to organisational structures reveals a formal structure of the organisation. The structure is divided into clearly defined operational areas with senior managers responsible for a particular area. Most of these areas have approximately six layers of management between the frontline staff and the CEO. The overall impression on the part of frontline staff concerning open organic organisational structures is summed up by the following comment: 'I think the NFPO is bureaucratic and I think it's hierarchical, so I don't think we have an open organic structure at all [bursts out laughing]—not at all' [XX010]. This is a further indication that the general impression of the majority of participants is that the organisation is hierarchical and bureaucratic.

5.9.6.1 Summary

It was not surprising that frontline staff at the NFPO perceived their organisations as hierarchical and bureaucratic. This was also the perspective of the senior management at this NFPO. Frontline staff are usually some distance from the senior leaders in many large organisations. Therefore, the need for the organisation to enforce the formal structure becomes paramount. This leads to the multiplicity of documents concerned procedures, designed to ensure compliance with the established organisational structure.

There was no evidence to support the existence of cross-functional teams at the NFPO. Not one example of an open organic organisational structure existed during the period of the research. What is interesting in these findings is how the head office is perceived by the frontline participants—that is, as a barrier to them carrying out their work as opposed to being supportive and facilitative. Natural tensions can arise in organisations that are

perceived by their members as segregated and structured in silos. The perception that there is insufficient appreciation for the contribution of the various components of the organisation creates confusion, resentment and diminishes the potential for learning. The findings concerning the concept of a market orientation at the NFPO are presented next.

5.10 The Findings: Market Orientation—Data from Senior Managers and Frontline Staff

5.10.1 A Brief Commentary on a Market Orientation

Market orientation is variously defined as a learning culture, a new sense of commitment, encouraging experimentation and the need to avoid stability (Slater and Narver 1995). Otherwise, the organisation might fail to address the assumptions upon which their decisions are being made. The key is a change in focus, to promote in individuals the feeling that they can contribute to the organisational knowledge model. The desired output is a spirit of flexibility and experimentation. At its heart, a market orientation focuses upon achieving superior consumer outcomes through the use of information and superior customer service Slater and Narver 1995). Learning is encouraged and fostered in an environment designed through planning, facilitated by organisational structure and encouraged by its leadership (Slater and Narver 1995). Effort is spent on defining and measuring key factors when venturing into new areas. Quantifiable measures of learning are used to support systems and reward learning.

5.10.2 Introduction

The findings and interpretations of the data analysis concerning a market orientation at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments. Quotations from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or

responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the themes is then offered as the most likely interpretation of the findings from the in-depth interviews and documents concerning a market orientation. Finally, the findings and interpretations of the data from the in-depth interviews and documents on market orientation are compared in the form of a summary for both the senior managers and frontline staff.

5.10.3 The In-depth Interview Questions and Documents Regarding a Market Orientation from the In-depth Interviews with Senior Managers and Frontline Staff

The participants were asked about their views on a market orientation at the NFPO. Both the senior managers and frontline staff were asked the following open-ended questions: To what extent are the people who work in your area focused upon superior outcomes for consumers and in what ways does your area collect, analyse and use information relevant to its consumers. These two questions were designed to explore market orientation from two important perspectives. Firstly, to elicit if the participant believed their organisation was focused upon superior consumer outcomes and secondly, to elicit if the participants believed consumer data was collected analysed and used at the NFPO.

5.10.4 Findings from the Senior Managers on a Market Orientation

The major themes that emerged from the data analysis are presented in this section. Documents revealed 136 extracts relating to market orientation. The senior managers overwhelmingly endorsed the organisation's focus on superior consumer outcomes, as the following comments testify: 'I would like to think that consumers always come first. We've got a fairly MAJOR focus on our clients' [002] and:

> We are focused on superior outcomes for consumers. I guess, if anything, I'm more focused on that than a lot of other people and that's something that I'm trying to teach other people: methodologies for knowing whether you are giving good service or not. In fact, I've just set a task for one of my people to make a phone call every day to find out what they think of our

> service, doing so, subjectively, but systematically calling them and asking them what they think [008].

However, there exists little evidence of serious measurement and analysis of consumer satisfaction. The senior managers, when discussing the collection and use of information concerning their consumers made the following comments:

> We do surveys and are the results used to change practices? That's probably the question. How many practices did we change because of our research? [003].

> We do have some information but we are using that in a very limited way. There's a lot to be done in that area of working, we've recognised that [007a].

The rhetorical nature of the question in the first comment indicates that this participant was not convinced that much of the research resulted in a change of practice. This may be due to various interpretations. First, is the research conducted by the NFPO rigorous and convincing? Second, is the research freely disseminated and available? Finally, does the organisational culture promote and encourage learning from the perspective of continuous improvement in this area? The recognition that the organisation has room for improvement, in this area, is an encouraging step in the right direction.

Many examples can be cited of complimentary consumer letters and cards. The organisation's documentation reflects a desire for the organisation to be perceived as a leader in providing superior customer outcomes. In one particular study, conducted by the University of Western Sydney (Employer Customer Satisfaction Survey 2005), almost 100 per cent of respondents to the study agreed or strongly agreed that the NFPO staff were friendly, courteous and helpful. Staff reliability received an agreement level of 88.9 per cent. One area of feedback highlighted by one of the senior managers does raise an issue of concern: 'We are getting a lot of complaints about harassment and bullying and sexual harassment in the NFPO' [008]. When exploring these issues further, one senior manager expressed concern that a culture of bullying, sexism and blame existed at the NFPO. The importance of the organisation collecting this kind of data and making sure immediate actions are taken is paramount.

From the senior managers' in-depth interviews, it was apparent that a strong customer orientation exists at this NFPO. This view was supported by comments from organisational documents. The research conducted by the University of Western Sydney (Employer Customer Satisfaction Survey 2005) also confirms that consumer satisfaction is high. A less satisfactory finding is the NFPO's capacity to collect, analyse and use consumer feedback and other data in a meaningful way. Although there is evidence of the collection of customer feedback and of research being conducted, the dissemination or interpretation of this information appears to have been limited. As data is not turned into information or information into accessible knowledge, the NFPO, from these findings, can be seen to be deficient in this area.

5.10.5 The Findings from the Data Concerning Market Orientation from the Frontline Staff

The findings and interpretations from the data analysis concerning market orientation are presented in this section. Documents revealed 66 extracts relating to a market orientation. From a frontline staff perspective, the majority of participants echoed responses such as: 'Do our consumers come first? They have to, they absolutely have to' [XX01] and:

> As far as consumers coming first, yes they do come first and they are given opportunities to give honest feedback because they have anonymous ways of responding, so—and they are also encouraged to be part of our Steering Committee, but a lot of the programmes that we have, have Steering Committees on them which will have representatives from outside organisation, from within our own organisation and also consumers on them [XX02].

Only one participant expressed their frustration with providing services to disadvantaged clients:

> We try to put our customers first, but our customers are very difficult. They think that we should owe them a living and it's very frustrating when they are on the phone and going, "Well you've cut my dole off" and they really don't put themselves in our shoes and sometimes you don't feel like striving for them because they can really make you annoyed, because they don't

> care and by the end of the day sometimes you think, "Why do we care?" We do try our best but some of our customers are really trying and we do try just putting them forward but some days you just think, "Why bother?"[XX04].

This was an isolated response and may be due to a number of mitigating circumstances. However, it is important to be aware that such attitudes can exist and when detected need to be addressed in an appropriate manner. Some staff went to extraordinary lengths to assist their clients. Other organisational documentation provides evidence that the NFPO frequently and consistently reinforces the message that consumers do in fact 'come first'. The perception that consumers come first and providing them with avenues to provide feedback is important for a learning organisation.

Failure to collect, analyse and act on consumer feedback has been shown in research to have a detrimental effect on employee satisfaction, competitive advantage, revenue growth and product and services value (Day 1999). Questions were raised by the frontline participants regarding the collection and use of consumer feedback. For example, one respondent stated: 'Collecting data? I haven't seen much of that happen to be honest' [XX05], while another said:

> We did those surveys in our research project and we got the other research project where the clients were interviewed one-to-one. I don't know whether they've been put into practice. I, I feel like the research projects have been conducted and that's just the end of it [XX11].

According to the above participant, research was conducted at the NFPO. However, whether research data was used in any meaningful way, appears unlikely. Other participants were unaware of any attempt to collect consumer feedback:

A significant amount of the documents scrutinised referred to data collection activities. However, very few referred to how this data had been turned into information or more importantly, knowledge. One participant noted that: 'Our consumers are not approached to give honest feedback. There are no surveys' [XX09]. This participant's response was fairly representative and serves to illustrate that many frontline staff were oblivious to market orientated activities within the NFPO.

A clear and consistent message from the data is that this NFPO is focused on its consumer's experience. Evidence exists that supports this as a major priority for the frontline staff. NFPOs are known for their focus on consumers, with this often being their reason for existing in the first place. However, in the modern business world, providing what the organisation or its consumers perceive as good customer service is not always enough. Services, particularly those to do with assisting people who are sick or disadvantaged, must be based on sound contemporary evidence.

Although some evidence was found to support the anecdotal comments from the frontline staff, no substantial evidence was identified in terms of rigorous and credible market research other than the study identified above. This lack of credible evidence demonstrates that, although the NFPO appears to collect data, little analysis and learning from this appears to have been carried out. The findings concerning the concept of decentralised planning at the NFPO are presented next.

5.11 The Findings: Decentralised Planning—Data from Senior Managers and Frontline Staff

5.11.1 A Brief Commentary on Decentralised Planning

Decentralisation involves shifting decision-making responsibility from the centre of the organisation to more local and dispersed areas of the organisation's operations. Pollit et al. (1998) define it as moving authority to lower levels. In this light, management decentralisation involves shifting the responsibility for planning to lower levels of management. According to Bangura (2000) decentralisation aims to break up monolithic bureaucracies into autonomous units, devolve budgets and financial control and separate provision and provider functions. Some commentators have highlighted obstacles to decentralised planning, which include staff capacity and internal constraints, low

commitment and a feeling of lack of ownership and conflict between head office managers and local managers and staff.

5.11.2 Introduction

The findings and interpretations of the data analysis on decentralised planning at the NFPO are presented in the following sequence: the research questions asked by the researcher, the senior managers' responses and the frontline staff responses, with comments. Quotations from the participants' responses are used to demonstrate either the responses' of several participants, contrasting or contrary responses on the theme or responses that encapsulated the theme. The researcher's representation of the participants' responses concerning the themes is then offered as the most likely interpretation of the findings from the in-depth interviews and documents on decentralised planning. Finally, the findings and interpretations of the data from the in-depth interviews and documents concerning decentralised planning are compared in the form of a summary, for both the senior managers and frontline staff.

5.11.3 The In-depth Interview Questions and Documents Regarding Decentralised Planning with Senior Managers and Frontline Staff

The participants were asked about their views on decentralised planning at the NFPO. Both the senior managers and frontline staff were asked the following open-ended question: Describe the planning process at this NFPO and to what extent are you involved in the planning of your area or in the planning of the NFPO as a whole. This two-part question was designed to explore a decentralised approach to planning from two important perspectives. Firstly, to elicit whether the participants were conversant with the planning process at the NFPO organisation and secondly, to elicit whether the participants were involved in the planning of their own area or the organisation as a whole.

5.11.4 Responses from the Senior Managers' In-depth Interviews on Decentralised Planning

The major themes that emerged from the data analysis concerning decentralised planning are presented in this section. Documents revealed no extracts relating to decentralised planning. The senior managers interviewed were expected, by the organisation, to be involved in two areas of planning: planning for their own area of responsibility and contributing to the overall planning of the organisation. The following responses are representative of the majority of those interviewed:

> Planning is not seen as an important part of managing my area of this NFPO. In terms of planning for the overall organisation, even though my area is now twenty-five or so per cent of it, I have very little input into the planning of the whole of the NFPO [002].

> The NFPO's strategic plan, well we, we're not really a part of that [005].

The negativity and frustration of the senior managers in terms of decentralised planning was palpable during their in-depth interviews, as reflected by these comments:

> We have strategic planning. We sit down four times a year at a planning event and basically do nothing. Yeah, they're a waste of a day. Other senior managers would tell you the same thing [007a].

> I'm involved in planning meetings for the NFPO as a whole, but again the meetings don't tend to do a lot of planning. They tend to be focused on financial outcomes rather than planning [006].

In the absence of an effective planning process, senior managers tended to indicate that they took responsibility for their own planning:

> Planning at this NFPO involves me looking after myself, largely ignoring whatever else happens in the organisation and finding out the ways to make my business work [006].

Attendance at the annual planning day meeting for the NFPO provided unique insights to the overall planning process. The meeting is accurately described in the comments from the following participant:

> The inputs are crook and the outcomes are crook. It's a forum for some noise, but there's nothing meaningful that you would take away and apply.

Sometimes you get a new plan but the new strategic plan and budgeting methodology that was announced took a minute and a half—didn't work. It was a failure, no one owned it, no one wanted to do it and no one understood it—hopeless [009].

Planning documents were scrutinised to unearth evidence that decentralised planning was occurring at the NFPO. A large number of plans do exist. However, no evidence exists that these plans were developed as a part of a decentralised planning process. The organisation's strategic plan indicates that the planning is top down, performed by a small select group and then presented as *fait accompli* to the senior managers. The various planning documents, generated by some managers and viewed by the researcher, were stand-alone documents and rarely, if ever, connected to a broader planning strategy.

5.11.4.1 Summary

The senior managerial participants in the study expressed frustration with the organisation's attitude to planning generally and decentralised planning in particular. Most felt either excluded or ignored. In a *de facto* sense, decentralised planning was conducted by these senior managers on an *ad hoc* basis, usually to meet their short-term needs. There was no evidence that this planning was incorporated into the overall planning processes of the NFPO. Consequently, an array of disconnected, independent and unsanctioned planning documents exists at the NFPO. To some extent, the planning processes at the senior management level reflect the hierarchical nature of the organisation. Planning is seen as exclusively the responsibility of the most senior leadership and planning activities as an opportunity for the leader to reinforce their personal vision and mission on the organisation.

5.11.5 The Findings from the Data Concerning Decentralised Planning from the Frontline Staff

Documents revealed no extracts relating to decentralised planning. Frontline staff reported that they were seldom invited to the NFPO's annual planning day. However, when they were, they did not feel they gained anything from it:

> Went to a planning day, didn't quite know what that was about and I know that it's very important and they like to have people involved in it, but sometimes I think they—well this particular planning day I went to—I didn't think it was a planning day—I thought it was just an information giving day and I didn't come away thinking we had planned anything and maybe it's not my place to be involved in that, but I'd like to know how it works and how it would affect me and the people that I work with [XX010].

> The planning day as it was—I found it very confusing, as an individual, I was ready to go in there to see how the NFPO plans. I didn't come away any the wiser basically [XX08].

The assumption that by merely inviting people to an event, they will be engaged and conversant with the process is incorrect, as evidenced by the cases of the two frontline staff quoted above. Other staff assumed that they would not be able to contribute to the planning process, or that being invited to participate would be frightening, as seen in the comments: 'I am not a visionary, that's why other people are in charge, to run the organisation, so if they get together and organise a planning day, that's fine' [XX03] and 'If someone was to say to me, "We are having a strategic planning today", I would be petrified' [XX01].

No documentary evidence existed that promoted or encouraged the frontline staff to participate in planning actively, despite the fact that frontline staff learning about the planning process would likely encourage genuine participation and perhaps lead to contributions from diverse perspectives. Typically, frontline staff did not believe that they were involved in planning for the overall organisation, remarking that: 'The NFPO as a whole, no I don't really get involved with the planning' [XX01] and 'As for being involved in planning for the NFPO, as a whole, probably not much' [XX09]. The exclusion of frontline staff from the planning process does not appear to be a deliberate strategy of the NFPO. Overall, the planning process appears confused, no clear documented guidelines existed to assist managers and their staff in understanding the process or who should be involved.

5.11.5.1 Summary

The perception of planning at the NFPO by frontline staff is that it is not their responsibility. This may be because they have inaccurate perceptions of what planning is about or they may be genuinely disinterested. There did not appear to be any deliberate attempt to exclude frontline staff from planning events. However, there was no documentary evidence that encouraged their participation in planning. Learning organisations use planning as a strategic process to demonstrate inclusive management practices. They believe that all members of the organisation have something unique and worthwhile to contribute and that planning should be viewed as a learning opportunity for everyone involved. In addition to the ten concepts of learning organisations presented above, two additional concepts—appropriate organisational cultures and trust—emerged from the data collected for this case study and are presented next.

5.12 Two Additional Elements Identified from these Findings

When reviewing the data in this case study, two further concepts emerged as being critical to organisations becoming learning organisations. These two concepts are presented similarly to the previous ten concepts with one specific difference. As these concepts emerged as a result of analysing the data relating to the ten concepts identified in the conceptual framework, no specific questions were posed in the data collection protocols in relation to them.

5.12.1 Appropriate Organisational Cultures

The NFPO has deemed itself to be a learning organisation since 1994. This is evidenced in several major organisational documents; for example, annual reports, quality policies, senior staff reports, training and development minutes and terms of reference. However, questions have emerged from the data concerning the organisational culture at the NFPO and whether this culture is appropriate for a learning organisation.

5.12.2 Introduction

The data analysis consistently made reference to the NFPO culture. Writers such as Slater and Narver (1995) emphasise the learning organisation culture needs consists of a market orientation and be entrepreneurial. This did not seem to reach into the dynamics of the organisational culture portrayed by the participants in this study. Therefore, the comments from the participants and organisational documents were further analysed in an attempt to elucidate the kind of organisational culture that existed at the NFPO at the time of this case study.

5.12.3 A Brief Commentary on Organisational Culture

Denison (1996, p. 624) defines culture as 'the deep structure of organisations, which is rooted in the values, beliefs and assumptions held by organisational members'. Various writers have described what they term a 'learning culture' (Pedler, Burgoyne & Boydell 1994, Senge 1990). To become a learning organisation is to accept a set of attitudes, values and practices that support the process of continuous learning within the organisation. Through learning, individuals can re-interpret their world and their relationship to it. A true learning culture continuously challenges its own methods and ways of doing things. This ensures continuous improvement and the capacity to change.

Senge (1990) identified five disciplines of a learning culture that contribute to building a robust learning organisation. These concepts are:

1. Personal mastery: create an environment that encourages personal and organisational goals to be developed and realised in partnership.

2. Mental models: know that a person's 'internal' picture of their environment will shape their decisions and behaviour.

3. Shared vision: build a sense of group commitment by developing shared images of the future.

4. Team learning: transform conversational and collective thinking skills, so that a group's capacity to reliably develop intelligence and ability is greater than the sum of its individual member's talents.

5. Systems thinking: develop the ability to see the 'big picture' within an organisation and understand how changes in one area affect the whole system.

To be a true learning organisation, the organisational culture must demonstrate its commitment to these concepts. For example, Schein's definition of organisational culture is: "A pattern of shared basic assumptions that the group learned as it solved its problems that has worked well enough to be considered valid and is passed on to new members as the correct way to perceive, think, and feel in relation to those problems" (Schein 2004 p. 32).

Culture is socially learned and transmitted by members; it provides the rules for behaviour within organisations (Yang 2007). The definition of organisational culture is of the belief that can guide staff in knowing what to do and what not to do, including practices, values, and assumptions about their work (Staniland 1985).

5.12.4 The Findings from the Data Concerning the Organisation's Culture from the Senior Managers

When analysing the data concerning the concepts of learning organisations identified for this case study, it became apparent that the organisation's culture seemed to stand in stark contrast to the kind needed for a learning organisation. The senior managers' comments

during their in-depth interviews and organisational documents are now presented on this issue.

The importance of the leadership acting in a way that encourages a culture of experimentation and innovation was recognised by some senior managers, summed up in the following quotations:

> I'm left to be an entrepreneur, to develop my staff, to do whatever I want with those programmes and I feel trusted and if I make a mistake I feel very open that I can admit to that mistake … there is never any persecution or punishment or anything like that [007a].

> Our leader is an entrepreneur and is always 4–5 years ahead and is always out there way in front of the rest of the pack, as entrepreneurs often are [005].

These findings imply that the senior managers above perceived the organisation's culture as supportive of risk taking and experimentation. However, this was not the perception of several senior managers, who said things similar to the following: 'The culture of blame is very apparent. When managers leave, all that you ever hear about is, "Oh this manager did that, this manager did that" in a detrimental way' [003]. The culture of blame was mentioned on a number of occasions by the participants. These senior managers overwhelmingly saw this as attributable to the NFPO's leader. The behaviour of the leader left senior managers unsure about their relationship with the leader. The core values of an organisation begin with its leadership, which will then evolve to a leadership style. Subordinates will be led by these values and the behaviour of leaders, such that the behaviour of both parties should become increasingly in line. When strong unified behaviour, values and beliefs have been developed, a strong organisational culture emerges. Leaders have to appreciate their function in maintaining an organisation's culture. This would in return ensure consistent behaviour between members of the organisation, reducing conflicts and creating a healthy working environment for employees (Kane-Urrabazo 2006) as well as taking risks to improve the organisations innovativeness.

When discussing the risks some managers take in the context of experimentation, the following comments were made by senior managers: 'I don't think there's enough encouragement in the NFPO's culture for supporting each other' [008] and 'We play as close to the edge as we can, but you wouldn't call it a learning organisation at all' [002]. In fact, at least one manager views the organisational culture as a potential barrier to progress: 'Most of what has come about is in spite of many of the NFPO's practices and procedures and traditions and obstructive behaviours' [008]. These comments are telling, as they indicate that more than one senior manager is prepared to take risks, even though they are aware that this is not something the organisation's culture may support.

5.12.4.1 Summary

The organisational culture at the NFPO has not been clearly defined by the senior managers. The comments made by almost every senior staff participant at the NFPO were critical of its culture to some degree. The positive aspects were those concerning entrepreneurialism and the belief that mistakes would be tolerated. None of the participants at any level of the organisation perceived the NFPO as a learning organisation. Conversely, the negative aspects of the organisation's culture contradicted what one might expect of a learning organisation: namely, an unsupportive culture of blame and bureaucratic control, in which creativity and experimentation was discouraged. The culture was almost exclusively attributed to the characteristics of the leader of this organisation. This was viewed by some as strength, while, for others, the organisational culture was determined by the ego of its leader.

Learning organisations are principally organisations that put learning at the heart of their cultures. They are said to be places in which team learning is the fundamental learning unit (Senge 1990, p. 10). Leaders of learning organisations are thought to practice humility and be highly self-aware. There is no room in a learning organisation for fear and blame, which are known to impede learning and knowledge creation and transfer. Leaders of learning

organisations are profoundly aware of how their behaviour affects the organisation's culture.

5.12.5 The Findings from the Data Concerning the Organisation's Culture from the Frontline Staff

The frontline staff had quite a lot to say on how they perceived the organisational culture and the major influences on that culture, as seen by the following comments:

> The culture is determined by the person at the top. The CEO's is such a powerful character; he has a great influence [XX4].

> Successful organisations now tend not to have that big charismatic leader [XX07].

> The role model that our manager has set up as a leader is very strong and very positive and a very good mentor for the way that you would behave professionally or [lead] or treat people, so we all do feel very much a sense of family and purpose and totally supported in every way and that's personally and in work and I think that's really important because you get the best out of other people that way [XX09].

Certainly, much of the research on leadership is influenced by Schein's seminal work on leadership (Schein 1983, 1985, 1992), which has been followed by others (Daymon & Holloway 2002, Martin, Sitkin & Boehm 1985) who propose that the leader, in large measure, creates the corporate culture.

There is irrefutable evidence that strong organisational cultures are associated with strong and competent leadership (Bass & Avolio 1994, Kotter & Heskett 1992). What is also clear is that although an organisational culture may appear 'strong', it may also have some negative aspects, which may affect how the culture is interpreted by some staff. Some of the negative aspects are outlined in this comment: 'I've seen them do restructures a number of times and I'm just shocked by it—yeah they just don't value people [XX10]. This is a view shared by this respondent:

> When you come in, it's like you walk into this big family and they say, 'Come in, we'll take care of you' but you just look at the people and you think, well this is really great, but you don't actually practice this [XX02].

The perception that the organisation was caring towards staff was a perception held only by frontline staff that had not been at the NFPO for long. More seasoned frontline staff tended to be much more circumspect in their appraisal of the organisation's culture:

> I have been here for over eight years. Certainly, I struggle often with decisions that are made at the highest level—at the highest management levels. They seem to have NO IDEA what so ever about what is happening amongst the rank and file. No idea what so ever [XX07].

5.12.5.1 Summary

The evidence leaves little doubt that the culture at the NFPO is strongly influenced by its leader. Although the culture has positive dimensions, such as the organisations care of its staff, it also creates doubt in at least some frontline staff members' minds that this is actually occurring in reality. Role models of effective leadership clearly do exist at the NFPO and these leaders are respected by their followers. It seems that the longer a person is exposed to the culture at the NFPO organisation, the less convinced they are that the organisation takes care of its staff. There is also the result of a 'disconnect' in terms of decision making at the top and what frontline staff believe is required. This information provides further evidence that some leaders at the NFPO are perceived by some of the frontline participants as autocratic, distant and remote.

5.13 Mechanisms for Creating and Maintaining Trust and Trusting Relationships

5.13.1 Introduction

Another major theme that emerged from the analysis of the data was identified by the use of the terms 'Trust' and 'Trusting'. This theme is the focus of this section.

5.13.2 A Brief Commentary on Trust and Trusting

It is argued that trust is a key part of learning and knowledge because the role of trust is to create an environment in which the employees feel safe to take risks, are sure they will not be blamed and are encouraged to develop the commitment to the organisation that will support learning and knowledge sharing (Crookes & Froggatt 2004). Therefore, there must necessarily be a relationship between the behaviour of the senior leaders and the development of trust (Blackman & Froggatt 2006).

5.13.3 The Findings from the Data Concerning Trust and Trusting Relationships from the Senior Managers

The senior managers' perceptions of trust and trusting at the NFPO were generally framed by their comments from the in-depth interviews. One such example is:

> And that culture, I guess, has been in this organisation for so long that we don't trust anybody to do anything, so we centralise all functions and we've got a long way to go in trusting our people enough to decentralise [006].

There was a general perception among senior staff that the organisation was low on trusting, with one possible explanation being the centralisation of power and control. This view compliments that of several senior managerial participants: that the organisation was bureaucratic and hierarchical. There often seemed to be an assumption that leaders had an expectation that their staff would trust them. This assumption was not always reciprocated:

> There's not much trust. I mean we had a meeting the other day and the opening statement was "that this organisation rules by fear". I said, "hire brave people". So, I guess in one respect, I might have been one of those brave people, but I get whacked quite a lot. Sometimes for fun [002].

The idea that the organisation is ruled by fear directly contradicts the organisation as inspiring trust in its staff.

Trust and trusting behaviours at the senior manager level were seen as under developed. Trust and trusting relationships were undermined by fear and an overall mistrust by senior managers of their staff. The senior managers felt fearful of their leader, which in turn fostered an environment that dissuaded people from trusting each other. It is unlikely that learning could occur in an environment such as this. The question is whether the NFPO is prepared to trust its employees to take real risks and to have the interests of the organisation at heart when doing so. If this were so, then the NFPO could encourage knowledge utilisation and, potentially, knowledge sharing, because the employees would feel safe to contribute in this way. However, when all risk taking is seen in terms of creating a potential for punishment, knowledge dissemination, utilisation and problem solving through experimentation is unlikely to occur.

5.13.4 The Findings from the Data Concerning Trust and Trusting Relationships from the Frontline Staff

The findings and interpretations from the data analysis on trust and trusting are presented in this section. As the in-depth interviews progressed, two clear images of how trust and trusting featured in relationships between the frontline staff and their managers at the NFPO became apparent:

> I think that my current manager has a lot to do with it because he invests so much trust in me that he just lets me do what I want and he knows that if I need help I'll come to him, whereas, if I was working under someone that was constantly looking over my shoulder, I wouldn't be able to do the job I am doing, so it sort of comes with the person and I think he gets that, he has the same relationship with his manager [XX01].

The sentiments of this frontline participant were shared by a number of their colleagues. Overall, the majority of the frontline participants trusted their managers to some extent. However, this level of trust did not tend to extend itself to a trust of the organisation as a whole:

I don't like saying I work for this NFPO, I baulk at it, because I know what it's like, but out in the community people go, "Oh that's a really good organisation" and you think, "Where have you been?" But they don't know the internal culture, you see and that's why they only see the façade, but they don't know what goes on behind it [XX8].

I don't really trust them, I have heard stories of how people have been treated by this NFPO, and it is not good. They may tell you one thing and then do the complete opposite [XX05].

These responses were representative of the majority of the frontline staff. Although they felt that their immediate manager could be trusted, they were less inclined to trust the organisation.

5.13.4.1 Summary

Frontline staff demonstrated trust in their immediate leaders and managers. This was generally expressed by the frontline staff in reference to one or two senior managers who they had learned could be trusted. Frontline staff that were relatively new to the organisation (more than 12 months but less than two years) were more likely to trust their manager than those who had been at the NFPO for periods longer than this. Trust in the NFPO as a whole was far less common among the frontline staff. This finding probably reflects the perceived discrepancy between what the organisation said it did and what it actually did. Frontline participants voiced their overall lack of trust in the NFPO.

5.14 Conclusion

This chapter presented the findings from in-depth interviews and documents collected from a large NFPO that claims to be a learning organisation. The findings for each of the concepts of learning organisations were presented to provide the most likely interpretation of the data. It is acknowledged that a number of interpretations can be made concerning the data analysis in this case study. The researcher aimed to provide the most trustworthy and credible explanations for the phenomena which emerged.

The most telling finding from this case study is that the NFPO appears to have two distinct organisational cultures. The issue of organisational culture was a constant narrative throughout the findings. It would seem that in this scenario the participants in the study took shelter in their immediate surroundings and were suspicious of extending themselves beyond what and who they could trust. None of the participants in this study saw the NFPO as a learning organisation. The picture of a divided organisation was present in the findings for all of the concepts presented to some extent.

The picture of leadership at the NFPO is illustrated by a charismatic leadership style at the top. This style of leadership is viewed by the participants as both positive and negative in a very dichotomous way. Some senior managers saw themselves as transformational, whereas they saw their peers as transactional. For some the two styles exist in the same person. The concepts of mental models, entrepreneurialism and a market orientation are also presented as dichotomous within the same organisation.

The extent to which the concepts of team learning, personal mastery, open organic organisational structures, systems thinking and decentralised planning exist at the NFPO was answered in the negative. No serious operationalisation of these concepts was elicited from the data. Conversely, the concept concerning a shared vision was affirmed by the findings. This may be attributable to the way in which members of the organisation are recruited.

The two concepts that also emerged from the data—organisational culture and trust and trusting—confirmed that the NFPO did operate as two distinct cultures. In the first, individuals felt supported and were encouraged to experiment, take risks and express themselves freely. Conversely, the other was an autocratic and bureaucratic culture, in which blame, fear and negative consequences were predominant. These two further concepts make a significant contribution to understanding the relationships between the ten concepts contained in the original theoretical model. In fact, it is difficult to see how the

original ten concepts explored in this study could exist or be operationalised to any extent without an appropriate learning culture built upon trust and trusting.

This chapter concludes with a presentation of the revised theoretical model of a learning organisation developed as a result of these findings and the literature review. To reiterate the ten concepts of a NFPO as a learning organisation are:

- leadership
- shared vision
- personal mastery
- team learning
- entrepreneurialism
- market orientation
- new mental models
- open organic organisational structures
- decentralised planning
- systems thinking
- an appropriate organisational culture
- mechanisms for creating and maintaining trusting relationships

These concepts are depicted diagrammatically in Figure 5.2 in a revised model of a learning organisation developed from an exploratory case study at a NFPO.
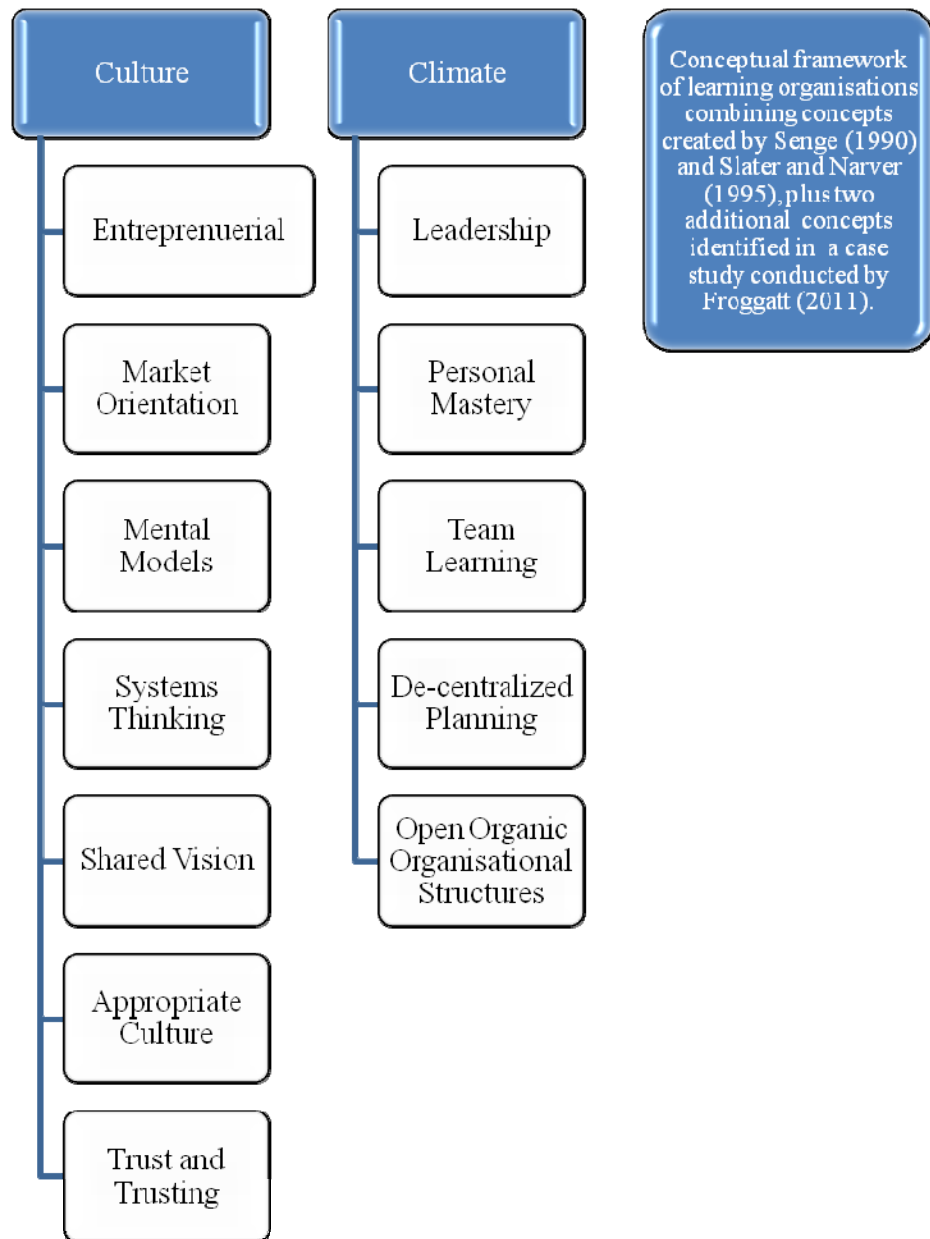
Figure 5.3: A Revised Model of a Learning Organisation Developed from an Exploratory Case Study at a NFPO

Chapter Six discusses the interpretations of these findings in further detail and makes the argument for this theoretical framework to be used as a template to build a learning organisation.

Chapter Six: Discussion and Interpretation of the Findings

6.1 Introduction

This chapter has four sections. The first section is an introduction to the chapter. The second outlines the contribution of this thesis. Third is a synthesis of the findings from the case study, integrated with the literature from Chapter Two and any subsequent literature, added during the writing of this chapter. The final section is how the case study identified barriers to organisations becoming learning organisations. In this chapter, the findings from the case study will be brought together with the findings from the literature review, as presented in Chapter Two. Given that the research question was to determine the extent to which the elements of learning organisations existed and were operationalised at the NFPO, the researcher has identified a revised theoretical model that will assist in accomplishing this outcome.

The concepts included in the conceptual framework have been examined and were presented in Chapter Three. One of the most obvious findings of this case study was the extent to which the organisation's culture and trust and trusting affected the other concepts. This is especially noticeable in the elements concerning leadership and entrepreneurialism. Further, the findings of the research indicate the degree to which the concepts of the organisation's culture and trust and trusting, when absent or lacking, can impede the development of a learning organisation. It became evident that, when all of the concepts are fully integrated into an organisation's culture, the organisation will more closely resemble a learning organisation. Djulbegovic and Hozo (2007) state that when discussing the outcomes of qualitative research, the findings cannot be considered 'True' in the conventional sense. Therefore, the researcher does not expect that the findings are true, in

an absolute sense, but rather that they can be described as 'probably true' (Djulbegovic & Hozo 2007).

6.1.1 Contribution of this thesis

This thesis has made a number of contributions to the current literature about learning organisations and a particular contribution to NFPOs as learning organisations. There were a number of issues related to learning organisations that the literature review in this thesis identified. The first was the ambiguity surrounding a clear definition of a learning organisation (1997). This ambiguity often related to the most effective combination of concepts, rather than to what an organisation needs to become a learning organisation as a whole (Garavan 1997). For example, it has been posited that because an organisation provides training to its staff then it must be a learning organisation (Johnson and Hawke 2002). Too often researchers focus on a single concept without explaining how that concept relates to the other concepts thus, enabling an organisation to become a learning organisation (Garavan 1997).

The combining of the two conceptual frameworks of learning organisations in this study with the emergent concepts from the research data: trust and trusting and appropriate organisational culture is a novel approach to exploring the concepts of learning organisations.

The research has demonstrated that although the concepts articulated by Senge (1990) have been subject to legitimate criticism, the addition of the more pragmatic concepts articulated by Slater and Narver (1995) and those which have emerged from this research contribute a new set of concepts to the knowledge of learning organisations.

This new framework of learning organisations may go some way in ameliorating the criticism that learning organisations are too nebulous and are unable to be realised in the real world of organisations.

To assist in researching this topic, ten elements of learning organisations were distilled from the literature review. These were then integrated into the overall research question to form a case study of a NFPO that had claimed to be a learning organisation. These ten concepts were then researched using questions based on the theoretical framework developed from the literature review. The two sets of data were compared to present the findings. The findings from the data sets, along with the findings from the literature review are the basis for the final synthesis, which is now presented.

6.2 The Synthesis—A Comparison of the Findings with the Model

The ideal of a learning organisation has already been discussed, revealing that it is a journey rather than a destination (Garavan 1997). Therefore, the ten concepts of a NFPO as a learning organisation represent long-term goals, rather than merely an end state. Further, given the fluidity of organisations—especially NFPOs—and the changeability of staffing and management goals, it is unlikely that any single approach, including this one, is adequate to meet all organisational challenges, at all times, in the future. Consequently, this synthesis is presented not as an end to the process of becoming a learning organisation but rather as another signpost or milestone along the way. As previously stated, the findings are presented as 'probably true' and so the discussion that follows presents the findings as valid at the time the research was conducted. In the conclusion, all the concepts are brought together to form a tested conceptual framework of a learning organisation. However, it is recognised that further research is necessary to refine the concepts and their operationalisation in learning organisations. The presentation of this synthesis commences with the first concept of learning organisations identified in this study: leadership.

6.2.1 Leadership at the NFPO

The most senior leader at the NFPO has held the position for more than two decades. He had been described by the participants as being charismatic, in that he meets the definition of this style, which is characterised by exceptional powers and qualities and the ability to

articulate a clear direction. From the findings, it is evident that this leadership style strongly influences the organisational culture in both positive and negative ways. The energy and commitment of this leader is admired and respected. However, the apportioning of blame to individuals and groups, along with his being egocentric and portraying a self-promoting leadership style, is seen as contributing to the frustration and uncertainty that managers and frontline staff experience while working at the NFPO.

The senior managers perceived their own leadership attributes as a product of their own character and not something that they had learned. This personal view of the characteristics of leaders is reinforced in much of the research on leadership (Kouzes & Posner 2007). Unfortunately, this idea has the potential to imply that these leaders have nothing more to learn about leadership and that they possess all of the attributes necessary to be successful leaders. This is problematic for a learning organisation, which purports to foster the elements of generative learning through the personal mastery and commitment to the lifelong learning of all its members.

The senior managers perceived themselves as transformational leaders, each other as transactional leaders and their leader as charismatic. There is a variety of leadership styles at the NFPO. Transactional and transformational were identified as being the most effective in some situations—transformational leadership when undergoing change and fostering commitment and transactional leadership when stability and strong negotiation was required. These attributes of leadership were seen in individual senior managers by other senior managers and frontline staff. One senior manager saw no leadership at any level. There appeared to be confusion regarding the organisation's culture, which on the one hand was perceived as a culture of blame, preventing creativity and innovation and on the other as a supportive and tolerant culture, supporting and facilitating employee endeavours. This uncertainty in the minds of the participants was reflective of their views concerning the organisation's leadership.

Overall, the frontline participants at the NFPO were quite negative when talking about leadership. Many participants saw leadership as hierarchical, autocratic, distant, punitive and bureaucratic. However, some leaders were seen as transformational leaders, embracing such characteristics as empowerment, encouragement and supportiveness. Transformational leadership was the preference of most frontline participants. Frontline staff valued a consultative and collaborative approach from their leaders. They appreciated the opportunity to extend themselves and to be encouraged. They expressed concerns regarding the abuse of leadership power, the consequences this had for them personally and the negative impact on their work performance.

Leadership is a crucial concept in facilitating a learning environment in organisations (Senge 1990; Slater & Narver 1995). The leader was invariably identified with the NFPO's head office. Head office became a synonym for power and control, particularly in the minds of the frontline participants. It was perceived as traditional and the seat of the hierarchy. Some frontline staff thought the leadership to be very hierarchically orientated, with some participants perceiving autocratic leadership as the predominant form. It is a concern that some participants felt fearful in the presence of some leaders. The feelings expressed by these participants summed up a general feeling among the frontline staff that the leadership at the NFPO was generally autocratic.

Given the nature and consistency of these comments and observations, the leadership style at the NFP can be viewed as having alienated staff and causing them to become silo focused and survival orientated. Although some leaders, during the study, were perceived as being effective, others were seen as ineffective. Consequently, with the NFPO led by people who are authoritarian, controlling and distant and who create fear within the organisation, the NFPO is unlikely to be deemed a learning organisation.

Learning organisations are free of leadership behaviours that in any way threaten dialogue, empowerment or learning. Trusting organisational environments may be a utopian dream to some extent. However, when fear exists, trust between employees at all levels is

severely threatened. It is a leadership responsibility to ensure the organisational culture is conducive to learning and free from these negative behaviours.

6.2.2 Shared Vision

The NFPO has a clear vision, which is widely known, shared and enacted. The data confirmed that the shared vision was not only known to the staff, but acted upon in their working environments. This applied to senior managers and frontline staff alike. To this end, the researcher would argue that the shared vision at this NFPO is consistent with the notion that a shared vision is more likely to lead an organisation to become a learning organisation (Senge 1990). This is not to say that some ambiguity does not exist, in terms of the organisation's shared vision. For some, it is a matter of emphasis. 'A Living Christ for a Dying World' is a powerful image, quoted by some staff as the vision of the NFPO. In a deeply Christian context, this vision can represent the hope embedded in the Christian message. For others, it is a practical call for action. Yet for others, it is the embodiment of a ministry of word and deed.

During the period of the study, the researcher developed an intimate knowledge of this organisation and, given the above caveat, became increasingly aware that there was a clear mental model of a shared vision. For many, this manifested as a very personal relationship between a person's individual vision and values and that of the NFPO. It is argued, based on these findings, that when an individual identifies a conflict between their own personal vision and that of the organisation, accusations of hypocrisy and double standards may arise. For example, an organisation might take a strong stand against harm minimisation initiatives, such as legal injecting rooms, yet profess to be providing comprehensive drug rehabilitation services and empathy for people with an addiction.

Recruitment practices at the NFPO are designed to ensure that all new recruits subscribe to the organisation's vision, values and beliefs. The NFPO believes that this practice results in a homogenous organisation. The will to challenge or change fundamental aspects of the

organisation is, due to this approach to recruitment, virtually impossible. This is at odds with the notion that learning organisations are organisations that employ triple loop learning (Argyris & Schon 1978), which would encourage people to question some of the most fundamental aspects of the NFPOs beliefs and values. It is argued by the researcher that it is a central function of a learning organisation to continually challenge and, if necessary, re-shape and redefine its vision, values and beliefs, in the light of compelling evidence to change. Therefore, an organisation that restricts its capacity to do this is less likely to become a learning organisation.

6.2.3 Personal Mastery

The senior managers saw personal mastery as something they needed to take responsibility for themselves. Followers of personal mastery are in search of life direction and purpose; they are aware of their personal weaknesses and strengths, responsible for their actions and accept who they are. This view is consistent with the literature on learning organisations and, in particular, the work of Senge (1990). According to Senge growth and development are the concepts encouraged by personal mastery. Some senior managers believed the NFPO had assisted their personal and professional growth and development in some way, although most did not. It is argued that personal learning and organisational learning needs to be a reciprocal commitment between the individual and the NFPO. A business can help its employees and management team attain personal mastery. This can be done through training and coaching, which can be provided to individuals, teams and even to the whole organisation. Training could include self-leadership, stress- management, well-being, emotional and social intelligence and other related disciplines.

Several senior managers focused on the barriers that they believed inhibited their personal growth and development. These barriers included a culture that threatens autonomy, repercussions for mistakes and negative consequences. The lack of challenge was also an issue for some senior managers. The opportunity to discuss learning and development with their manager, in a formal way, was seen as a positive step by the majority of senior

managers. Further, individuals who have developed a high degree of personal mastery are said to be confident and capable in dealing with such phenomena as creative tension, emotional tension and structural conflict. In a discussion between individuals with highly developed personal mastery, issues of tension and conflict should be able to be maturely addressed. The data indicates that, in at least some cases, this does not appear to be the case at the NFPO.

There was evidence that personal mastery was encouraged at the frontline level of the organisation. However, some individuals felt that they were perhaps no longer required to learn or that the organisation did not provide enough time for them to engage in learning. Some of the frontline staff did confuse training with learning and development. Further, the vast majority believed that opportunities for training were plentiful. However, as Senge (1990) has also pointed out, training does not necessarily lead to personal mastery. Nevertheless, participants at all levels did have a positive view of their organisation as a place in which training was encouraged. The principle finding is that the culture of the NFPO is more supportive towards individual training than it is to providing a culture conducive to the practice of personal mastery.

6.2.4 Team Learning

The findings concerning team learning indicate that very little learning at the NFPO is done in teams. This contrasts unfavourably with the learning experiences of the participants from an individual learning perspective. Although there was a belief that team learning was encouraged and that it was a good thing, this belief was not supported in reality. The key to team learning is the incorporation of dialogue into the learning process (Senge 1990). Dialogue requires people to develop skills in relation to suspending their assumptions and developing trust. Without these, dialogue is not possible.

Team learning may emerge as something that the organisation pursues in the future. However, at this time no real evidence exists to support the notion that the NFPO actually

employs a team learning approach. Some encouragement could be taken from the fact that at least some participants felt that learning was occurring in their area. No doubt, individual learning through training does occur at the NFPO. However, this is not the case in terms of a culture of team learning.

The researcher argues that the NFPO does not have a sound base for developing team learning. The organisation appears more focused on the training of individuals, rather than on providing a culture in which the transfer of knowledge between team members is encouraged. Dialogue is unlikely to flourish in an organisational culture that is not based on trust and trusting between its members. Team learning is less likely to occur in an organisation that does not value dialogue and the suspension of assumptions.

It could be argued that the same barriers to learning exist for teams as they do for individuals. In this study, the two critical components necessary to foster team learning—dialogue and trust—did not emerge as embedded into any of the NFPO's learning processes. If the NFPO continues its journey to becoming a learning organisation, then addressing these barriers, in terms of team learning, should be seen as an immediate priority.

6.2.5 Mental Models

Two clear images of the NFPO emerged from the data concerning mental models. The first image was that of a church. The second image was that of a welfare organisation. These images were consistent mental models described by both the senior managers and the frontline staff at the NFPO. The closer a participant was to the leader—in terms of their position within the organisation—the more the image of it being a church predominated. This is not surprising as senior staff were expected to play as active a role in the non-secular activities of the organisation as they were in its secular activities. This included the senior managers being present at religious services and events. In fact, one of the senior managers who participated in this study was an ordained minister.

The issue of double standards was raised by the participants at all levels of the NFPO. The perceived discrepancy between the NFPO's words and actions may be due to the mental models that people hold concerning the nature of the organisation's core business. The leadership of the NFPO is adamant that it is primarily a church, which is evident in the supportive data from the in-depth interviews and documents. However, some participants clearly perceived the organisation as a community services organisation, which supports, to some extent, the perceived ambiguity of the organisation's shared vision.

For the organisation to embrace learning as a core value and therefore become a learning organisation, the collective mindset of the organisation will need to change. This will require individual mental models to be altered via a re-examination of the fundamental values and beliefs of the NFPO (Argyris & Schon 1978). Further, to promote learning, the new mental models that emerge from this re-examination will need to be shared, so that common understandings can be reached.

6.2.6 Systems Thinking

The overall impression from the findings concerning systems thinking at the NFPO is that the organisation operates in silos and that there has been little integration of its various parts. The researcher argues that where a culture of rivalry and competition exists unchecked in an organisation, this can lead to protectiveness, defensiveness and consequently reluctance to share knowledge and ideas. The implications for learning are equally severe; if the learning that occurs in the organisation cannot be transferred across its various processes and operations, then the likelihood of repeating mistakes and errors increases. As a result, the likelihood of the organisation fostering a culture of blame and defensiveness also increases.

The findings show that discussions concerning integration and knowledge of services have not led to a meaningful operationalisation of the systems thinking concept at this NFPO. Further, the cycle of blame and defensiveness creates a major barrier to learning, as trust dissipates to be replaced by paranoia and suspicion. Once embedded in the culture of an

organisation, barriers such as these become major obstacles to becoming a learning organisation.

The perception of head office as omnipotent, from the frontline staffs' perspective, seems to impede rather than facilitate the perception that the organisation functions as an integrated whole. It can be concluded from this data that the NFPO does not currently practice a systems thinking approach in its operations at any level.

6.2.7 Entrepreneurialism

The leader of this NFPO is a self-proclaimed social entrepreneur. The leadership style of this CEO is built around and defined by his actions and is seen by the participants to be charismatic. The data presented in the previous chapter shows the leader's style to be characterised by a strong personal commitment; visionary behaviour and highly developed interpersonal and presentation skills. This may lead the organisation's members to believe and be committed to one powerful idea, resulting in the deepest commitment a business could achieve in enacting its stated vision. However, the data from the staff also revealed a possible drawback to this leader's behaviour in terms of a degree of capriciousness, an insensitivity to others, autocracy and elitism. There is little doubt that the CEO directly affects the senior managers.

The senior managers also saw themselves as entrepreneurial. For example, some senior managers believed they were trusted by the senior leadership to take risks and to innovate. However, no documented evidence existed to support the notion that trust was something overtly discussed in the organisation. Paradoxically these same leaders gave reasons related to trust for holding back from experimentation, innovation, creativity and risk taking. This was expressed as conservativeness and risk aversion at the head office level and a personal fear of negative consequences and a lack of support should problems occur. This paradox is likely the result of confusion over who and when to trust. The researcher argues that the corporate functions of head office would most likely foster a culture of risk

aversion. This is not unusual, as diverse organisations are vulnerable to disloyalty, lack of shared vision and operational conflicts. However, when this attitude pervades the organisation's culture, experimentation, innovation and creativity are less likely to occur.

The frontline staff overwhelmingly described an organisational culture that was conservative, particularly in terms of experimentation and risk taking. However, organisational documentation portrayed the NFPO as an organisation that encouraged innovation, creativity and risk taking. The issue of trust becomes a poignant force in the relationships between the senior managers and the NFPO. Does trust really exist when senior managers are innovating and taking risks without the knowledge of their leaders? Although documents portray risk taking and innovation as the norm, one cannot help but question whether these reports are an accurate reflection of what has actually occurred. The argument is made that, for a learning organisation, this lack of trust between leaders, managers and staff would most likely be terminal in terms of building a learning organisation.

6.2.8 Open Organic Organisational Structures

The findings show that the NFPO is a bureaucratic and hierarchically structured organisation. Most participants saw the formal organisational structure as an impediment to being effective. Invariably, managers found ways to either ignore or work around the formal structure. Documentation almost exclusively reinforced the hierarchical and bureaucratic nature of the organisational structures in this NFPO. Hierarchical, bureaucratic structures, led by charismatic leaders tend to be autocratic. Open organic structures require facilitative leaders who create structures that foster inclusive decision making and planning, empowerment, learning and dialogue (Slater & Narver 1995). These organisations are said to be open and transparent.

Transparency in organisations can be viewed from a number of perspectives. The findings in this case study probably indicate a lack of visibility into decision making at the senior

levels of the organisation. Lack of transparency can also refer to organisations that portray themselves as one thing while behaving in a contrary manner. Transparency is a characteristic of organisations that are open and prepared to expose some of their weaknesses as well as their strengths.

What is interesting in these findings is how the head office is perceived by participants. The majority of the participants saw the head office structure as a barrier to their effectiveness, as opposed to being supportive of them and being customer focused. Head office was closely associated with the hierarchical, autocratic and bureaucratic image of the NFPO in many of the participants' minds. Natural tensions can arise in organisations that are perceived by their members as segregated and structured in silos. The perception that there is little or no appreciation of the contribution of the various components of the organisation creates confusion, resentment and restricts the potential for learning. The researcher argues that the hierarchical, bureaucratic organisational structures that exist in the NFPO would make it difficult, perhaps impossible, for it to function as a learning organisation.

6.2.9 Market Orientation

From the senior managers' in-depth interviews, it was apparent that a strong customer orientation existed at this NFPO. This view was supported by comments from frontline staff and organisational documents. Previous research conducted by external bodies (Employer Customer Satisfaction Survey 2005; The Good Father 2004) also confirmed that consumer satisfaction is high in the employment services area of the organisation. At the time of these studies, employment services made up approximately a quarter of the NFPO's operations. A less satisfactory finding is the NFPO's capacity to collect, analyse and use consumer feedback and other data in a meaningful way. Although evidence for the collection of customer feedback and of research being conducted does exist, the dissemination or interpretation of this information appears to have been limited.

If data were not turned into information and information into accessible knowledge, the NFPO would be deficient, as its ability to capture and utilise vital data to support and expand its excellent consumer orientation would be compromised. This process is at the centre of a learning organisation's culture; it is what sets it apart from many other types of organisations (Slater & Narver 1995). Learning effectively, quickly and accurately about itself, its customers and its competitors is what makes being a learning organisation worthwhile for organisations such as this (Senge 1990). In the modern business world, providing what the organisation or its consumers perceive as good customer service is not always enough. Services and programmes, particularly those to do with assisting people who are sick or disadvantaged, must be based on sound evidence. An organisation that fails to listen to its stakeholders and make necessary changes is less likely to become a learning organisation than an organisation that has developed its capacity to capture, interpret and use stakeholder data in a meaningful way.

6.2.10 Decentralised Planning

The researcher identifies the NFPO's attitude to decentralised planning as a major area for improvement in terms of becoming a learning organisation. The failure to develop effective planning processes that provide realistic road maps directed towards the future is potentially disastrous for any organisation (Drucker 1999). The findings of this exploratory case study indicate that planning in the NFPO is exclusive, top down, centralised and ineffective.

The participants in the study expressed frustration with the organisation's attitude to planning generally and decentralised planning in particular. Most participants felt either excluded or ignored. The in-depth interview data confirmed this perspective of planning at the NFPO. There was no evidence from the documents or the participants that any planning that did occur was incorporated into the overall planning processes of the NFPO. Consequently, an array of disconnected, independent and unsanctioned planning documents existed at the NFPO. This jeopardises the organisation's articulation of its

shared vision and confuses people's mental models of the future direction of the organisation.

To some extent the planning processes at the NFPO reflect the hierarchical nature of the organisation. Planning is seen as exclusively the responsibility of the most senior leadership. Planning activities are invariably an opportunity for the leader to reinforce his personal vision and mission upon the organisation. Learning organisations use decentralised planning as a strategic process to demonstrate inclusive management practices such as empowerment. Planning is used to provide substance to the shared vision. Learning organisations believe that all members of the organisation have something unique and worthwhile to contribute—decentralised planning is the embodiment of this belief.

The researcher argues that as it currently stands, the planning processes employed by this organisation make it less likely that it will achieve its desired outcome of being a learning organisation. From the analysis of the data in this research two further concepts concerning learning organisations became apparent to the researcher. The first was concerning an appropriate organisational culture and the second related to the concept of trust and trusting. These two concepts are discussed below and are supported by the contemporary literature on appropriate organisational cultures and trust and trusting.

6.2.11 Appropriate Organisational Culture

The organisation's culture plays a significant role in the learning processes in a learning organisation. Research studies have shown that an organisation's culture influences the learning that takes place within the organisation ((Al-Alawi, Al-Marzooqi & Mohammed 2007, Lai & Lee 2007, Pillania 2006). The comments made by almost every senior staff participant at the NFPO were critical of the organisation's culture to some degree. The culture was described as unsupportive and intimidating. A culture of blame existed at the NFPO. The organisational culture transposes itself across all aspects of organisational life. The evidence from this case study leaves little doubt that the culture at the NFPO is

strongly influenced by its leader. Role models of good leadership clearly do exist at the NFPO and these leaders are respected by their followers. None of the participants in this case study believed that the NFPO's culture was congruent with that of a learning organisation, as they understood it.

The uncertainty of not knowing if the organisation is supportive of risk taking or experimentation is confusing to managers and staff. As risk taking and experimentation is tolerated by some senior managers but not by others, anxiety and apprehension exist at the NFPO. To some extent, it appeared that the longer a person was exposed to this organisation's culture, the more sceptical and less convinced they became that it was a culture that encouraged risk taking and experimentation. This is evidenced by perceptions of tight bureaucratic control and a centralised approach to management and planning, as expressed by staff in the interviews and documents.

Pillania (2006), in her study of the impact of organisational culture on knowledge management, found that cultural mindsets and misconceptions about knowledge sharing prevented workers from adopting learning practices that could promote an organisation's performance. When employing Schein's (2004) cultural framework (that is, basic assumptions, values and artefacts), Alavi, Kayworth and Leidner (2005–2006) studied the effects of organisational culture on knowledge management practices. Alavi et al's (2006) findings indicated that values at the organisation level did influence the ways in which values at the local group level were formed and that these values varied from group to group and therefore created different outcomes for the organisation.

In their study of the relationships of organisational culture towards knowledge sharing, Lai and Lee (2007) also discovered that a culture that values flexibility and has an external focus was more likely to successfully promote and manage knowledge sharing in the organisation, resulting in improved performance outcomes for the organisation. Balthazard et al. (2006) found that constructive cultural norms had a positive impact on performance and that defensive cultural norms negatively affected both the individual and

organisational levels. Chang and Lee (2007) conducted research into the relationship between organisational culture and learning. They discovered that culture did indeed influence the learning of individuals in the organisation. They also found that transformational leadership had a much more agreeable relationship with organisational learning than transactional leadership.

Learning organisations are principally organisations that put learning at the heart of their cultures. They are said to be places in which team learning is the fundamental learning unit (Senge 1990, p. 10). The concepts identified in this case study as being critical to learning organisations are dependent on a culture with a capacity for risk taking, innovation and creativity, sharing experiences, creating and sharing new knowledge and fostering dialogue. Schein emphasises learning as a key to an organisations ability to adapt and integrate:

"…. A pattern of basic assumptions - invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration - that has worked well enough to be considered valuable and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to these problems" Schein 2007 p. 12). They require time to develop and the adoption of democratic, humanistic and optimistic philosophy to maintain.

6.2.12 Trust and Trusting Relationships

Overall, trust and trusting behaviours at the senior managerial level were seen as under developed. Trust and trusting relationships were undermined by a culture of blame and fear and an overall mistrust by senior managers of their staff. The senior managers felt fearful of their leader, which in turn fostered an environment that dissuaded people from trusting each other. Learning to trust in an environment such as this is unlikely. The key is whether the NFPO is prepared to trust its employees to take real risks and believe that they have the best interests of the organisation at heart. If this could be achieved, the NFPO would encourage knowledge utilisation and, potentially, knowledge sharing, because the

employees would feel safe to do so in an atmosphere of trust and support. However, when all risk is seen in terms of creating a potential for punishment or blame, knowledge dissemination, utilisation and problem solving is unlikely to occur.

In contrast, frontline staff demonstrated trust in their leaders. This was generally expressed by the frontline staff in reference to their immediate manager, with the exception of two senior managers, whom they had learned could be trusted. Trust in the NFPO as a whole was far less common among the frontline staff. Due to the perceived discrepancy between the words and actions of the NFPO, most participants voiced their overall lack of trust in the NFPO.

6.3 Conclusion

The NFPO exhibits aspects of the models of learning organisations suggested by Senge (1990) and Slater and Narver (1995) to some extent. These models have a common emphasis on collaboration instead of competition between internal units or divisions, empowering people toward a collective vision and a focus on valuing staff.

Collaboration at the NFPO was impeded by the hierarchical and bureaucratic structures, which created an environment of internal competition and rivalry. Although the vision of the NFPO was understood and appeared strong, the extent to which this vision was imposed, as opposed to being created and shared by its members, is unclear. Staff at both levels of the organisation interviewed in this study felt generally undervalued and unsupported. The NFPO appears to be focused on individual learning as opposed to learning through teams. There is an increasing emphasis in much of the literature on the need for individuals to accept more responsibility for ongoing learning as a group process. There is a lack of involvement of staff in the formulation of strategic directions. Such involvement is explicitly recognised in learning organisations as leading to the development of staffs' self-confidence in learning and as confirming that the organisation is serious about staff contributing to policy decisions. The next section of this thesis

explores some of the issues uncovered by this research, concerning the barriers to organisations becoming learning organisations.

6.3.1 Barriers to Organisations Becoming Learning Organisations

6.3.1.1 Introduction

This section of the chapter discusses the barriers to organisations becoming learning organisations in the context of this exploratory case study. Barriers to becoming learning organisations are generally viewed from two perspectives: individual (O'Keeffe 2002) and organisational (Serenko, Bontis & Hardie 2007). Gaining an insight into these perspectives influences the recommendations proposed in Chapter Seven. The data analysis revealed that individual barriers to learning—such as an inability to see the need for learning—and organisational barriers—such as the organisational structure and lack of time—existed at the NFPO.

6.3.1.2 Individual Barriers to Becoming a Learning Organisation

Three distinct barriers were identified from the analysis of the in-depth interview that could impede the NFPO becoming a learning organisation. The first concerns the assumption by some participants that they had learned all that they needed to know. Underlying this belief is the perception that there is never enough time for learning and that they are too busy. Secondly, there was the fear of becoming temporarily incompetent until new skills could be learned. Finally, unlearning what has worked in the past but is no longer effective becomes a factor in a person's resistance to learn new skills or adopt new concepts.

6.3.1.3 Organisational Barriers to Becoming a Learning Organisation

The barriers to organisations becoming learning organisations have been well documented in the literature. These include an organisation's inability to understand that these barriers exist (Finger and Brand 1999, Skerlavaj 2007). Even within a learning organisation, problems can halt the process of learning or cause it to regress. Most of the barriers arise from an organisation not fully embracing all the necessary concepts relating to learning organisations. Once these problems are identified, work can begin on improving them.

Some organisations find it hard to embrace personal mastery because, as a concept, it is intangible and the benefits cannot be quantified. Even concepts such as personal mastery can be seen as a threat to the organisation. This threat can be real, as Senge (2006) points out: 'to empower people in an unaligned organisation can be counterproductive' (Senge 2006, p. 136). In other words, if individuals do not engage with a shared vision, personal mastery could be used to advance their own personal agenda. In some organisations, a lack of an open organic structure can be a barrier to learning (Finger and Brand 1999).

Structures that impede cross fertilisation of ideas must be re-structured to facilitate knowledge transfer. An environment must be created in which individuals can share learning, without it being devalued or ignored. This allows more people to benefit from their knowledge and empowers individuals. A learning organisation needs to fully commit to the removal of traditional hierarchical structures (Newman et al 2000). Individual empowerment cannot occur within a highly centralised system of control (Bate and Robert 2002); as such systems reserve decision-making power for the few whom occupy the centre, inhibiting individual initiative. Organisational learning is also inhibited because people are not motivated to learn when they do not have the authority to utilize what they have learned (Denzau & North 1994). Conversely, in a decentralised organisation, decision-making power is distributed to the outer limits of the organisation, 'as close to the action as possible' (Handy 1994, p. 135). In practical terms, this means giving employees

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the authority to make real-time decisions in the face of situations that fall outside the normal parameters of standard operating procedures.

Resistance to learning can occur within a learning organisation if there is not sufficient commitment at an individual level. This is often encountered when people feel threatened by change or believe they may be disadvantaged by their participation. They are likely to have closed mindsets and not be willing to engage with mental models. Unless implemented coherently across the organisation, learning can be viewed as elitist and restricted to senior levels. In that case, learning will not be viewed as a shared vision. If training and development is compulsory, it can be viewed as a form of control, rather than as personal growth and development. Learning and the pursuit of personal mastery needs to be an individual choice. Therefore, enforced take-up will not work.

Further, organisational size may become a barrier to internal knowledge sharing. When the number of employees exceeds 150, internal knowledge sharing dramatically decreases because of higher complexity in the formal organisational structure, weaker inter-employee relationships, lower trust, reduced connective efficacy and less effective communication (Serenko, Bontis & Hardie 2007). As such, as the size of an organisational unit increases, the effectiveness of internal knowledge flows dramatically diminish and the degree of intra-organisational knowledge sharing decreases (Serenko, Bontis & Hardie 2007).

A blaming culture linked to an environment in which questioning and challenging are not encouraged—or worse, is actively discouraged—is not conducive to an organisation becoming a learning organisation.

An organisational culture in which knowledge is seen as power restricts the sharing of learning and the dissemination of organisational knowledge. This is also true of an environment in which management decisions are not to be questioned, as this creates a barrier to the standardisation of mechanisms to capture and spread improvements as they develop. Punishing mistakes rather than treating them as necessary learning experiences

results in a barrier to experimentation, creativity and innovation. This failure to encourage innovation is of critical importance, as learning organisations need to make use of innovative business practices to out-perform their competitors. The lack of knowledge transfer, because of the silo mentality, can be seen when there is little or no evidence of cross-functional mechanisms or a multi-disciplinary team learning approach to problem solving.

Finally, Table 6.2 highlights the elements of learning organisations researched in this case study in terms of how they may affect positively or negatively on the likelihood of the NFPO becoming a learning organisation.

Table 6.1: How the Elements Affect an Organisation Becoming a Learning Organisation

Concept	Unlikely to Become a Learning Organisation	Likely to Become a Learning Organisation
Leadership	A style that is autocratic, remote or capricious. Does not facilitate a learning culture	An empowering style that is shared by many, at many levels. One that mentors and grooms others to become future leaders
Shared Vision	Lack of a clear vision or one that is not shared or is externally imposed by the leader	A clear vision that is well articulated. One that is commonly defined, known and acted upon by most staff
Team Learning	A focus on individual as opposed to team learning	Team collaboration, dialogue and leadership that supports cross functional team learning
Entrepreneurship	Tight bureaucratic control, risk aversion, blame and mistrust	Encouragement and reward for experimentation, creativity and innovation
Market Orientation	Poor understanding of consumer needs. Focused on process not outcome. Poor collection, analysis and synthesis of consumer information	Superior customer focus. Use of data to create knowledge and organisational decision making
Mental Models	Resistance to changing out-dated and inaccurate mental models	Prepared to re-examine and transform ways of seeing the world
Open Organic Organisational Structures	Hierarchical, bureaucratic and rigid structures that inhibit communication and integration	Open organic structures. Empowerment of teams and individuals. Supportive

		management
Decentralised Planning	Top down, centralised planning control	Planning from the bottom up, staring with a focus on consumer needs. Empowering and trusting relationships
Systems Thinking	Inability to see the organisation as an integrated, holistic entity. Focused solely on cause and effect	A consciousness that each part affects the whole. An ability to reconcile cause-effect and time
Personal Mastery	Training over learning. Lack of opportunity to experiment with new ways of learning	Opportunities to explore self-awareness and personal development and growth
Organisational Culture	Blaming, punitive, bureaucratic. Decisions go unquestioned. Lack of dialogue and challenge	Focused on learning. Mistakes are seen as learning opportunities
Trust and Trusting	Lack of trust. Little or no trusting relationships	Social contracts that set out the parameters of trust and trusting are mutually developed between individuals and teams

6.3.2 Conclusion

This exploratory case study research has identified some significant barriers to this NFPO becoming a learning organisation. The researcher argues that until such barriers are addressed, the NFPO cannot be judged to be a learning organisation as defined by Senge (1990) and Slater and Narver (1995), based on the evidence of the findings in this exploratory case study.

With regard to learning in the organisation, the NFPO could benefit from targeting specific areas that they would like to see improve within the organisation. The findings of this case

study reveal that potential target areas could be the organisation's structure, its vision, values and levels of trust as well as its commitment to team learning. The organisation's culture does not appear to be supportive of the elements of culture defined by Senge (1990) and Slater and Narver (1995). However, a progressive march towards the implementation of all of the concepts identified in the revised conceptual framework of a learning organisation is what is required, based on the findings of this research.

In an attempt to assist those who are responsible for the task of addressing this outcome, Chapter Seven makes recommendations that, if implemented, will facilitate the NFPO's journey to becoming a learning organisation. Chapter Seven also discusses further research issues arising from this case study before concluding the thesis.

Chapter 7: Recommendations and Conclusion

7.1 Introduction

This chapter provides a series of recommendations based on the concepts of learning organisations presented in the revised conceptual framework in Chapter Five. Further research issues that include the limitations of this thesis are then presented. Finally, the chapter ends with the conclusion to this thesis. The conclusion to the thesis includes the most critical insights gained from this research and makes suggestions about how they might be further operationalised.

7.1.1 Recommendations for Leadership at the NFPO

At this point, the researcher would like to offer a number of recommendations based on the analysis of the data and the review of the literature to assist leaders at the NFPO to better deal with the required changes. The recommendations are:

- to develop and implement both formal and informal programmes to identify, develop and mentor potential leadership talent from among the organisation's members based on ability rather than position within the hierarchy. These potential leaders should then be provided with the means and opportunity to develop further as leaders

- to develop and implement an ongoing formal leadership education programme while fostering a culture of learning and a desire to learn, which includes all current and potential leaders

- to mentor those identified as future leaders through formal and informal processes that will establish them as leaders, both currently and for the future. Further, processes should be established that allow the chosen future leaders to understand,

at a deep level, the organisational culture and the role played by the consumers in a NFPO.

7.1.2 Recommendations for an Appropriate Organisational Culture at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that a new culture based on ethics and the values of wonder, humility and compassion be developed. This culture should encourage individuals' values of honesty, responsibility and integrity. Successes should be noted and celebrated

- that the HR department carry out a formal cultural audit of the current organisational culture to identify the strengths, weaknesses, opportunities and threats of the current organisational culture

- that a team of suitably experienced, qualified and willing people be assigned the task of mapping what the new learning organisational culture should look like and how it can be developed, including appropriate 'milestones'

- that those who are taking the lead, at all levels, be educated and trained in their role in developing a learning culture. This will mean that the current hierarchical boundaries at the NFPO will need to become more permeable, to allow the transference of learning between people

- that consideration be given to developing innovation and creativity. This may be achieved by a number of mechanisms in such communities of learners. First, people's natural intuition should be developed so that it becomes an integral part of how people learn. Second, they must themselves learn to listen to wisdom, which may include learning skills for thinking about the future, recognising trends and anticipating events or outcomes that may affect the organisation (Bell, Taylor & Thorpe 2002, p. 70). Daft (2004, p. 297) makes a distinction between data, information, knowledge and wisdom, defining wisdom as 'the subjection of knowledge to universal spiritual principles and its consequent use in real situations'

- that sufficient funding be made available to support the ongoing learning of staff at all levels of the NFPO

- that it be unambiguously understood that developing a learning culture is an ongoing process that is likely to take five to ten years to implement successfully. It should also be understood that once in place, the process would continue to ensure that the culture remains a learning culture.

7.1.3 Recommendations for the Creation of Trust and Trusting at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that trust and trusting be seen as a reciprocal relationship between leaders and their staff. This will require an open dialogue to commence on the boundaries of trust and trusting between individuals and teams

- that leaders initiate trust through open and transparent behaviour, ensuring that people at every level of the NFPO are aware of activities that may affect them. Further, future projects, activities and risk taking should be endorsed by the NFPO's Board of Management

- that leaders conscientiously examine whether there is a potential for a discrepancy between their words and their actions, quickly correcting any perceptions of double standards

- that trust and trusting relationships at the NFPO be explicitly documented in a formal way and regularly reviewed through the development of social contracts, which set out the parameters of trust and trusting as mutually developed between individuals and teams.

7.1.4 Recommendations for a Market Orientation at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- That the NFPO builds on its excellent consumer service by conducting further research into the level of consumer satisfaction. This should include, but not be confined to:

    1. focus groups of consumers and staff from all areas of operations
    2. satisfaction surveys issued to consumers and staff on a regular and formal basis
    3. the practice of regular phone calls to consumers and staff by researchers at the NFPO being continued and expanded
    4. the establishing of systems to collect data about consumer needs and the effects of work done by organisational members
    5. the development of a consumer database to keep accurate and up-to-date information about current consumers using the NFPO's programmes and services
    6. a focus on understanding consumer needs as well as an emphasis on responsiveness as a core function of the NFPO.

7.1.5 Recommendations for a Shared Vision at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that a daring and compelling shared vision be developed by all staff and remain open to reshaping and redefinition
- that the new shared vision include a focus on consumers and continuous improvement and learning
- that individual and organisational values and goals be aligned through a focus on self-awareness and personal growth and development programmes for all staff.

7.1.6 Recommendations for New Open Organic Organisational Structures at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that roles and authority be re-assessed to reduce layers of management
- that a horizontal organisational structure be developed to emphasise cooperation and collaboration over line control. Specifically, that organisations become more decentralised, share more information, have in place a system of contingent rewards, be team-based and align themselves with their goals and values. Such organisations will become environments adequate for the development of an empowered workforce
- that individuals be encouraged to explore how their actions and decisions affect colleagues and consumers.

7.1.7 Recommendations for Decentralised Planning at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that tools be developed for systematic problem solving and decentralised planning
- that a diversity of views, dissent and openness be encouraged and difference appreciated
- that decentralised planning be the principle planning structure and precede implementation of new actions that involve everyone.

7.1.8 Recommendations for Entrepreneurialism at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that constraints related to learning, problem solving and risk taking be specifically sought out and removed
- that goals include creativity, experimentation, learning, reflection and continual improvement

- that staff at all levels of the NFPO be valued as autonomous, developing, self-motivated individuals. In practical terms, this means giving employees the authority to make real-time decisions in the face of situations that fall outside the normal parameters of standard operating procedures
- that coaching be developed in leaders and managers and they be encouraged to foster trust and a tolerance for error. Risk and risk taking should also be supported and encouraged at all levels of the NFPO.

7.1.9 Recommendations for Team Learning at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:
- that teams be seen as the fundamental learning unit at the NFPO and that knowledge transfer be built into the organisation through sharing experiences in team meetings, staff rotations, conferences and visits
- that appropriate communication channels be developed in which communication between staff is valued and nurtured as a vehicle for learning and development
- that core learning skills such as brainstorming, dialogue, debate and questioning be developed and that staff development and team development be built into work
- that opportunity for team reflection processes that review experiences be made available for all staff.

7.1.10 Recommendations for Systems Thinking at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:
- that individual roles relate to the whole, creating synergy and interdependence. This would require a review of position descriptions to show the position's relationship to others within the organisation and to identify the key elements of the role that require the incumbent to contribute to the whole of the NFPO

- that little tolerance for goal diversion but a large degree of process divergence be tolerated

- that tasks and work roles be aligned and designed for co-ordination and synchrony (for example, cross-unit teams).

7.1.11 Recommendations for Mental Models at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that the NFPO make the time and create the opportunity for employees and stakeholders to suspend their assumptions concerning their current mental models of the organisation and that they be encouraged to challenge their existing perceptions and redefine and recreate a new shared mental model

- that through the process of creating a new and powerful shared vision, a collective mental model of the NFPO as an entity that individuals can commit to and be proud to belong to become the dominant mental model

- that staff at all levels feel involved in a community and relate in mutually beneficial ways. The sense of belonging to a community of learners is a good place to start.

7.1.12 Recommendations for Personal Mastery at the NFPO

The researcher would like to offer a number of recommendations to assist all those who will take a lead role in developing the new learning culture. The recommendations are:

- that individuals be offered the opportunity to understanding the direction of their life and therefore the direction of their team or organisation

- that individuals be afforded the opportunity to recognise their current reality and remain grounded in it

- that staff at all levels of the NFPO be actively encouraged to think creatively and innovatively

- that individuals be educated so that they can understand and work with change.

- that individuals view themselves as a part of the whole system and feel connected to others
- that individuals are made to realise that they can influence others, but that it is impossible to control them.

7.2 Further Research Issues

Perhaps, given the extensive nature of this thesis, it could be said that the further research issues are numerous and as a result cannot be readily quantified. However, the researcher believes that there are some issues that are self-evident and able to be quantified and these are presented here.

The first of these is that the revised theoretical framework is something that can be used to research a wider research study involving larger samples of staff in NFPOs. As the sample used in this thesis is small but quite consistent, a wider study could be carried out to validate further the credibility and transferability of the current findings.

The second of these issues is that a further study could be undertaken involving a number of NFPOs to see how consistent the findings are in other NFPOs. These findings could then be combined and compared with the findings from a wider study involving a number of NFPOs, in Australia or internationally, to provide greater power than the one case study covered in this thesis.

Thirdly, the scope of any further study should include a greater number of people in each of the two categories (senior managers and frontline staff) to obtain a larger set of views from each group. When this is combined with a wider study of a larger number of NFPOs, representing a greater geographical spread, the findings would be more credible, transferable, dependable and confirmable (Yin 2009). This would present researchers with a more meaningful view of the implications of the proposed model of a learning organisation.

In this study, the nature of the individual participants (for example, their nationality, gender, age, level of education, political views and personal experiences) was not considered. These variables have probably had a profound effect on the views of each participant and have affected the answers each gave to the questions concerning the ten concepts. Therefore, while a wider study may show a similar level of credibility, transferability, dependability and conformability, that study may not explain all the reasons for this. For example, while it can be argued that Christian based NFPOs may have similar organisational cultures to one another, the fact that some of the participants saw their organisation being a 'church', while others saw it primarily as a health and community services organisation, is a variable that could have major ramifications in any future comparative case studies. This topic is worth further study.

Finally, the impact of being a participant in the study on the views of the participants has to be considered. The Hawthorn studies of the 1930s (Roethlisberger & Dickson 1939) demonstrated that those people who knew that they were part of a study behaved differently from those who did not know they were part of a study. In this case, while there is a high level of consistency, it is possible that the participants saw themselves as being different and that this had an effect on the views proffered by each participant. Although this may have been the case, the degree of impact was lowered through two preventative measures. First, a broad cross-section of people was interviewed to mitigate that likelihood. Further, as the participants were not informed about who was to be interviewed for the study and when and where they were to be interviewed, the likelihood that they could have communicated their views to one another to any significant degree is highly unlikely. However, this remains a variable that could be further studied in relation to the findings of this study.

7.3 Conclusion

This exploratory case study set out to answer the research question: To what extent do concepts of learning organisations exist and to what extent are such concepts operationalised at the NFPO.

The aims of this case study were to explore the extent to which the concepts of learning organisations existed and were operationalised in a NFPO through the lens of a conceptual framework developed for this case study. An additional purpose was to provide the NFPO with recommendations and insights concerning its current status as a learning organisation. To bring this thesis to its conclusion, the final aim of this research—the insights gained concerning its current status as a learning organisation and the extent to which the concepts of a learning organisation existed and were operationalised at the NFPO—are summarised:

1. The leadership style and organisational values are crucial to the development of a NFPO into a learning organisation. There are leadership styles that are more likely than others to create learning organisations.

2. Creating a well-defined and understood vision that is commonly held, defined and acted upon is a crucial requirement for developing a learning organisation. The alignment of mental models is another crucial concept necessary for an organisation to be a learning organisation. The majority of the organisation's members are required to hold the same mental model.

3. The current organisational culture at the NFPO is profoundly affected by the way in which people are led, its vision and the way in which people are treated and valued. Consequently, if the organisational culture is not appropriate, it will negatively affect the NFPO and its desire to become a learning organisation.

4. The impact personal mastery and a team learning approach has on the ongoing development of people and thereby the NFPO cannot be overemphasised.

5. The role of a market-orientated approach has an important role to play in defining what an organisation needs to accomplish. However, this approach needs to be set

in the context of the enterprising development of new services, data collection and its use, knowledge transfer and superior consumer service.

6. The NFPO must maximise the use of the staffs' innate innovation and creativity by allowing space for experimentation and risk taking. Otherwise, the NFPO will lack the crucial element of entrepreneurialism that will allow it to develop into a learning organisation.

7. Team learning needs to be central to learning at the NFPO. This is crucial for meaningful collective knowledge acquisition, interpretation and transfer between individuals and teams. This will be crucial for the success of knowledge development.

8. Hierarchical and bureaucratic organisational structures impede the capabilities of people to be effective in collaborating and cooperating with others.

9. It is crucial for the NFPO to redesign its planning processes to be more inclusive and decentralised. Such a model has the potential to capture a diversity of views and foster openness in problem solving and decision making.

10. Trust and trusting are crucial in creating an organisational culture in which risk taking, experimentation, creativity and innovation thrive. Without trust and trusting, a learning organisation cannot exist.

11. An organisational culture free from fear and blame can foster the progressive operationalisation of all of these concepts if it has the desire to do so.

The researcher accepts one of the basic tenets of the realism paradigm of research and presents these findings as being 'probably true' (Djulbegovic & Hozo 2007). It is appreciated that further research may provide different results. However, the researcher presents the findings as being 'probably true' and offers a conceptual framework of a NFPO as a learning organisation to be used by others, as they require. Therefore, the researcher understands that the presented findings and discussion have answered, with sufficient depth and clarity, the initial research question: To what extent do the concepts of learning organisations exist and to what extent are they operationalised in a NFPO that claims to be a learning organisation. Further, the researcher offered insights and

recommendations that the organisation can utilize in its continued development towards being a learning organisation.

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