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#### **14. Universities as learning organizations: internationalization and innovation**

*‘To play its indispensable function in the new competitive environment, the typical university must change more quickly and more fundamentally than it has been doing’.*

(Christensen and Eyring 2011, p. xxiv)

As Christensen and Eyring (2011) state, universities and higher education institutions (HEIs), more than ever, must proactively evolve and respond to change swiftly in order to cope up with and meet the demand of a knowledge-and-technology-intensive society. This poses a question: How HEIs equip themselves to survive and succeed in such environment?

Through our own research (Bui and Baruch 2012) and the extant literature it is evident that many HEIs have been in the process of, or inspire to becoming learning organizations. Learning organization in the context of higher education is somewhat different from learning organization in the business context for several reasons. First, higher education is the unique environment where massive knowledge is created and transferred. Second, HEIs are typically not-for-profit organizations, with performance criteria different than for-profit firms (Baruch and Ramalho 2006). Therefore, most of resources can be invested within the organization, giving priority for learning, much of it via development of employees, and team-learning. Investment in people can and should be more than a slogan in the higher education sector. Third, the dynamics of national and international competition in higher education are complex and diverse (Marginson 2006).

Due to the global competition in this sector, universities and HEIs strive to improve their position in the league tables/ rankings and accreditations (Tight 2000; Bosetti and Walker 2010). These, to a large extent, are led by academic reputation of knowledge creation and dissemination, reputation that is typically generated by publications and their usage (Christensen and Eyring 2011). Thus, depending on any targeted league tables, universities and other HEIs will invest certain level of their resources on learning. A number of universities and HEIs have been striving to become learning organizations (Bui and Baruch 2012, 2010; Franklin, Hodgkinson, and Stewart 1998; Patterson 1999), for both improving knowledge transfer and creation through generating a self-fulfilling prophecy of journals' quality. Frequently this also coupled with the hope than acquiring the culture and ethos of learning organization would be instrumental in terms of positioning at various league tables – the kind of never-ending race. Whatever the reason is, external prestige seeking or internal quest for knowledge, by developing a 'holistic model for quality in higher education' (Srikanthan and Dalrymple 2002, p.215), becoming learning organization should serve as a good aspiration of universities and HEIs.

The career environment of university is part of the knowledge economy, where the main asset of institution is not land or physical capital, but human capital (Becker 1965). Within such environment, learning is a major source for survival (Hatch and Dyer 2004). The knowledge is kept with the employees, and in a boundaryless career system (Arthur and Rousseau 1996), people can move and take their knowledge elsewhere. This occurs in academic settings too (Baruch and Hall 2004). As a result, HEIs wishing to keep knowledge should create a learning environment where knowledge is shared and departure of individuals will not be detrimental to the organization as a whole. Of course, limiting inclinations to leave will depend on organizational support and environment that will not encourage quit behavior (Ballout 2007).

The aim of this chapter is to examine the idea of learning organization in the contexts of higher education. We focus on why HEIs should become learning organizations, what would be considered a university that manages to become a learning organization, or that inspire HEIs to become a learning organization, and compare it to the practicalities of HE-workplace, where such aspirations face harsh realities. We employ multi-level analysis approach to learning organizations in higher education with references to the four ‘aspects’ of the learning organization definition as suggested by (Örtenblad 2013) and systems thinking perspective proposed by Senge (1990). We further present the potential impacts of becoming learning organizations on higher education, such as internationalization, innovation, and entrepreneurship. Lastly, we propose directions for future research in this area and offer conclusion.

### **Universities as learning organizations**

There are various concepts for the idea of learning organization. The idea focuses on learning as a tool, a lever, and a philosophy for sustainable change and renovation in organizations in a fast-changing world. However, these concepts all cover the three levels of learning, namely individual learning, team learning and organizational learning. Senge (1990) considers systems thinking to be the ‘fifth discipline’ apart from other four disciplines in his learning organization model because he believes that thinking systemically is the ‘pivotal lever’ in the learning and change process. He highlights his five disciplines as follows: (1) systems thinking – a conceptual framework that sees all parts as interrelated and affecting each other; (2) personal mastery – a process of personal commitment to vision; (3) shared vision – sharing an image of the future you want to realize together; (4) Team learning – the process of learning collectively, the idea that two brains are smarter than one; and (5) Mental model – deeply ingrained assumptions that influence personal and organizational views and behaviors.

A more recent typology of the learning organization idea consists of four categories as defined by Örtenblad (2002, 2013): (1) learning at work – learning takes place while the work is being performed; (2) organizational learning – mastering single-loop learning and enabling double-loop learning to evaluate what is doing; (3) climate for learning – employees are facilitated for learning by taking risks; and (4) learning structure – a flexible and organic organization, which provides autonomy, decentralization, empowerment, continuous learning and a non-hierarchical structure. We argue that a combination of Senge's (1990) systematic view and Örtenblad's (2002, 2013) practical perspective would be an ideal way to examine the process and development of learning organization.

A number of studies have investigated the process of becoming learning organizations of some HEIs. In this part, we briefly review this trend, especially with a focus on the case of UK and Vietnam contexts, before discussing two reasons of why HEIs should become learning organizations.

Bender (1997) presents an example of the University of Arizona Library when it was in the fourth year of becoming a learning organization with the focus of team learning and shared vision of customer-centered. They enjoy many successes such as cost reduction, quality improvement, being a leader of change and a lesson that collaboration, not competition is the key for development.

Franklin et al (1998), open a discussion about the relevance of the idea of learning organization to UK universities. They then come to a conclusion that 'universities are also uniquely privileged to explore, apply and advance the idea of learning organization in their own organization practices' (p. 236).

Friedman, Friedman and Pollack (2005) propose eight suggestions to transform a university from a teaching organization to a learning organization. They include an establishment of a message board to function as a research matching service; an establishment

of website for academics to post their working papers; a website of best ideas in teaching; sharing knowledge not only within the university but also to public; multi-directions of information; students' engagement in knowledge sharing; recognition of interdisciplinary majors; and lifelong learning commitment among members. Those suggestions aim to establish 'a paradigm of knowledge sharing and continuous growth through lifelong learning' (Friedman, Friedman, and Pollack 2005, p. 34).

Bui and Baruch (2012) investigate two universities becoming learning organizations on the framework developed from Senge's (1990) learning organization five disciplines in two different cultures, one in collectivist culture (Vietnam) and the other in individualist culture (United Kingdom). We highlight the differences and commonalities between the two higher education sectors.

A quasi-market has emerged in British higher education, in which individual higher education institutions face an increased competition from other institutions in the bid to attract both national and international students. A parallel competition runs in the academic labor market for talented academics, at both junior level of career entry, and senior leadership positions. Under such circumstances, higher education institutions strive to gain a greater understanding of, and respond effectively to the changing demands of both markets (McRoy and Gibbs 2009). Furthermore, universities seek to signal academic quality through their positioning on various league tables and through establishing an internationally recognized reputation for the provision of quality degrees and research. This type of competition for future students and for future staff is global, though academic labor markets differ in their nature (Dany, Louvel, and Valette 2011).

The focus of global higher education institutions on improved quality and competitiveness stems from changes in public sector policy and variations in market demand. Within the British case, over the past twenty years, British public sector policy has sought to

adopt private sector ideals by promoting competition, applying professional management techniques and the greater utilization of performance and outcome measurements (McRoy and Gibbs 2009). This developing quasi-competition among British HEIs has been further advanced by the availability of information to prospective students through various league tables, degree classifications, employability measures, national student surveys, and results from the Research Assessment Exercise (RAE, now re-named REF – Research Excellence Framework). The resulting increase in transparency has enabled prospective students to make a more rational choice in deciding where to study (Adcroft, Teckman, and Willis 2010).

The same measures of quality (e.g. standing in the RAE) form a decisive factor in pulling talented academics looking for better academic posts. Two factors are particularly interesting. A greater involvement from the business sector in HE, and the need to keep public finances under control while improving workforce skills and knowledge, has again amplified the need for HEIs to meet the demands of both prospective fee-paying students and employers (Miller 2010).

Another factor that is common to both the HE sector in the west and the business sector is the internationalization. Universities offer education as a global commodity where students chose to study much in accordance to the reputation of the institution. As for the learning environment, the academic labor market involves academic scholars moving across boundaries and learn within their disciplines. From this perspective it is clear that universities face a major challenge as the learning communities span across disciplines, rather than within single institutions.

Vietnam is a country with a long history of conflict and political isolation. However, since 1986 and the introduction of Doi Moi (innovation) paradigm, the country has undergone substantial political reform aimed at international re-integration and economic development and growth. Reforming Vietnam's higher education sector and equipping graduates with the

skills and knowledge needed to sustain the rapid economic growth experienced over the past two decades has been recognized as an essential element of public policy (IIE 2004).

Although higher education in Vietnam has begun a process of modernization, the sector is still dominated by many traditional characteristics inherited from its Soviet-style background. These include a large number of small mono-disciplinary institutions which are centrally controlled by the Ministry of Education and Training (Trung and Swierczek 2009). During the 1990s there was a significant increase in the number of higher education institutions in Vietnam and several institutions were consolidated to form five national and regional multi-disciplinary universities (IIE 2004). However, the dominant focus of the country's higher education institutions remains on teaching and the provision of training. It is estimated that academics in Vietnam spend the vast majority of their time engaged in teaching-related activities (Ca et al. 2006). A new renovation plan of higher education towards 2020 aims to give greater managerial autonomy to existing higher education institutions and build Vietnam's first four modern research-orientated universities. These universities aspire to establish international partnership and foreign lecturing and management staff to help implement new standards in terms of research and teaching (NESO 2009).

The implementation of reform plans in Vietnamese higher education remains slow and the country's universities remain unrecognized internationally on both the degrees they offer and their research output in terms of both publications and presence in major academic conferences. "It is difficult to overstate the seriousness of the challenges confronting Vietnam in higher education" (Vallely and Wilkinson 2008, p. 1). Vietnamese higher education institutions remain relatively isolated from international trends in knowledge and are unresponsive to the demands of the business sector in terms of providing graduates with sought-after skills (Trung and Swierczek 2009). At present, there is no formal mechanism for evaluating the quality of teaching in Vietnamese higher education institutions, although there



are plans for the Ministry of Education and Training to introduce such a mechanism based on US accreditation criteria (IIE 2004). Despite growth in the number of Vietnamese higher education institutions since 1990, there remains little competition between universities for students, except some international programs mainly in business and IT. In 2009 Vietnamese higher education institutions could offer only 400 000 places to the 1.2 million potential students who sat entrance exams (NESO 2009). Due to the underdeveloped state of postgraduate study in Vietnam, many traditionally travelled abroad to complete further studies, which pose a dual risk, first, losing students, but also a risk of then not returning (Baruch, Budhwar, and Khatri 2007). Indeed, only few of these students return to pursue academic careers in Vietnam due to relatively low wage rates and the more stimulating and advanced options in the developed economies. This has led to a shortage of qualified academic staff (IIE 2004).

The UK University under investigation in Bui and Baruch's (2012) study is a traditional research-oriented university. The Vietnam University under investigation is one of two multi-disciplinary universities in Vietnam. It has been experiencing remarkable changes over the last decade to strive for international recognition. It has set up a number of international programs in collaboration with universities in the US and European. Research output has also received an increased attention.

Bui and Baruch (2012) found that the collectivist culture of Vietnam tend to nurture the process of becoming a learning organization better than its counterpart of the UK, most probably because collectivist culture values harmony at work more than individual identity.

Though the above cases examine the process of becoming learning organizations of different universities and HEIs in different contexts, the common theme of that study is the application of Senge's (1990) learning organization idea in HE. They all employ some or all disciplines of learning organization in the process of becoming learning organizations. One of

the possible reasons for adopting Senge's learning organization model is that it is highly inspirational. HE managers can see the applicability of Senge's learning organization to the context of HE though this idea was initially developed for outside industries and businesses.

Bearing in mind that universities are not profit making enterprises, we believe that there are two main reasons for universities to become learning organizations. The first reason is a wish to be a true 'temple of knowledge'. It is the case of universities like Harvard, Oxford and Cambridge. These universities have sufficient resources from human to facilities and technology. They do not have really to struggle for resources to become learning organizations. Using Senge's (1990) word, they have traditional 'DNA' of learning organizations that they inherit from one generation to the other to maintain them in the process of learning organizations.

The second reason is more opportunistic, instrumental in terms of gaining prestigious and competitive advantages among other universities. Due to changes in developments in national politics, increases in number of students and demands for increased efficiency, the emerging comprehensive universities developed from strategic alliances – lessening the distinction between university and non-university sector – are organizations that both learn and foster learning (Patterson 1999). 'The traditional university's challenge is to change in ways that decrease its prices premium and increase its contributions to students and society' (Christensen and Eyring 2011, p. 396). The new university's challenge is to gain international prestige to attract more students, better academic staff, and higher level of resources. Becoming learning organizations seems the ultimate choice for them to survive and develop.

For either or both above reasons, becoming learning organizations significantly contribute to universities performance in the three pillars of teaching, research and enterprise activities. Different universities offer different incentive systems for these pillars. Universities which focus on teaching reward teaching excellence. Universities focus on research put

priority on research resources. A good learning organization university should engage in all of them, operating research-led teaching, research-led enterprise activities, and entrepreneurship-led teaching/work-based learning. Research-led teaching, research-led enterprise activities, and entrepreneurship-led teaching/work-based learning will be and tend to be on board of most prestigious universities.

However, there remains a question of why some universities fail to become learning organizations. We present some possible answers here. First, learning organization is a process, not a state therefore no university can claim to be a learning organization, but they progress within the process of becoming one. Second, as we mention above, team learning is a weaker level of organizational learning in HE, which substantially prevents university from becoming a learning organization. Third, it is the role of leadership in HE. To become learning organizations, universities need visionary leaders who can share the learning organization vision among their employees and create supportive learning environment for their employees to achieve and succeed. Fourth, it is also the culture, both organizational culture and societal culture where the university is embedded. For example, collective culture tends to nurture the process of becoming learning organization better than collectivist culture (Bui and Baruch 2012).

Approaching Örtenblad's (2013) four categories, the possible answers for the question of why some HEIs fail seem to mainly remain in three categories, except learning at work. For example, non-research-oriented universities fail to become learning organizations because they fail to develop a proper climate for learning and learning structure due to constraints in budget as well as resistance to learn from academics who are not used to research. To some extent, these people are not aware of the fact that research is an important form of learning, which can aspire life-long learning. Consequently, such factor leads to deficiencies at the final aspect of organizational learning.

## **Learning organization typology in higher education**

The processes that universities and HEIs pursue to become learning organizations are various, as there is no single way to reach a common culture and practice of learning organization.

However, such processes involve three levels of learning, namely individual learning, team learning and organizational learning (Senge 1990). In other words, organizational learning cannot take place without individual learning and team learning. In this section, we employ Örtenblad (2002, 2013)'s learning organization typology to elaborate how the four categories are relevant for these levels of organizational learning in HE in detail. This multi-level analysis approach reflects the holism and complexity of the learning organization development over time.

Individual learning is the core element of learning in higher education. Employees learn in various ways, both formal and informal learning. For example, they learn from the degree at HEIs, work, their colleagues and students. Individual learning should be one of the most critical factors of personal mastery. In higher education individual learning seems to be at the highest level of learning compared to team learning and organizational learning (Bui, Ituma, and Antonacopoulou 2013). Employees in this sector, especially academics, tend to be committed to life-long learning because of pressures of knowledge transfer and creation.

Individual learning in HE is largely associated with the typology of 'learning at work' and 'learning climate' (Örtenblad 2002, 2004). In most universities and HEIs, academics learn at work constantly in order to cope with critical changes in the sector and the outside world. For example, the pressure of publications and the challenges created by diverse students have pushed academics harder for learning. Another barrier to 'within-institution' learning is the fact that much of the knowledge development takes place in 'silos of knowledge' where research communities are formed within disciplines, and research is being conducted by global teams. The turbulence and constant changes outside also provide a good extrinsic

motivation for individuals in higher education to learn. This is the reason why individual learning is one of the factors related to learning organization that has highest score in higher education not only in developed country, but also developing country (Bui and Baruch 2012). Individual learning may include work-based learning which seems to contribute substantially to their professional and career development in higher education. Academics are constantly learning from the collaboration and interaction with their colleagues, the teaching of their students, and the supervision of their research students. With the influence of globalization where it has been seen a substantial mobility of academics and students, the benchmarking within this sector has become more severe than ever. Therefore, individual learning in this sector is vital for its employees.

Team learning is a fundamental unit of learning organization (Hitt 1995). It is the collective level of learning in higher education. If compared with the same scale businesses (often the medium-size), team learning in higher education tend to be less developed. In higher education, academics can either work on their own or belong to a team. Those who belong to teams are likely to form multiple teams, being in internal or external teams, or both. For example, in terms of teaching, they tend to belong to internal teams within the institution. They develop and run courses within their internal teams pretty effectively (Bui & Baruch 2012). In terms of research, academics can belong to both internal and external teams or to none – often referred to the ‘older’ mental model of ivory tower. Because of the internal competition of research, academics might opt to work more with external teams than internal teams. For example, this can occur where national evaluation exercises, such as the British REF mean that only an academic in a team within the HEI can claim a journal paper, regardless how many people actually co-author. This discourages internal research team’s development. This now has become a concern for many universities and HEIs because with high mobility among academics, when they leave the institution, the institution has no control

of their knowledge creation for the sake of students. In addition, working with external teams requires academics extra resources, for example, for travel and communication, which is not cost effective for HE managers. As a result, there is evidence that team learning has not really contributed to research performance (Bui and Baruch 2012) in both western and far-eastern environments.

In the relation to Örténblad's (2002; 2004) idea of learning organization typology, team learning is associated with an appropriate learning climate and learning structure. Because of issues related to research incentive and performance above, higher education has not really created strategy and practices to develop the right climate and structure to enable team learning thriving. However, one thing should be noted that it is better for academics to belong to any teams, either internal or external, rather than not being a member of a team (Ou, Varriale, and Tsui 2012). And belongingness to multiple teams (e.g. several research projects) is particularly enriching academic research effectiveness. Team learning forces people to learn more and faster than individual learning. External team learning sometimes can be seen a good sign of internationalization of higher education that we discuss in this chapter later. What HEIs should do is to create a collaborative environment for academics to form strong research groups in order to sustainably create and transfer knowledge.

Organizational learning is a collective and holistic process of individual learning and team learning. With uneven levels of development between individual learning and team learning presented in higher education, it is challenging for organizational learning of universities and HEIs. HEIs should reconsider their learning climate and learning structure carefully in order to improve team learning and organizational learning. An example of learning environment where university can develop learning in partnership with other social constituencies (schools, in this case) is offered by Tsui, Edwards, and Lopez-Real (2009). Based on socio-cultural theory, they suggest that to create a 'community of practice', the

partners, in particular the university, should identify the need for recognizing the triad of collaboration, cooperation, and community.

In university context, academics are expected to be at the cutting edge of knowledge in their field. They must possess both theoretical knowledge and methodological understanding to be able to conduct worthy research and transfer such knowledge to students and the outside world (Lam 2000). Building a learning organization does not mean that formal training programs are being regularly conducted, except for support staff. Academics learn a lot via transfer of tacit knowledge (Nonaka 1994), or mentoring (Kram 1985) which can be effective based on evidence from various academic professions (e.g., Level and Mach 2005; Sambunjak, Straus, and Marušić 2006). In fact, requirement to take formal training does not necessarily lead to better academic performance (Bui and Baruch 2012), as those deemed to need formal training might be those who do not learn in the usual informal learning modes which are typical to learning culture in universities.

Learning climate in higher education is different from any other sectors as universities themselves are supposed to form the ultimate climate for learning for its stakeholders, including students and staff. However, learning environment in higher education varies depending on certain contexts. For example, the learning environment in developed countries tend to be better than that in developing countries as in developed countries learning environment is equipped with sufficient facilities, for example, offices, laboratories, and computers, and technologies for example, virtual learning space, communication tools, and databases to support individual and team learning. In contrast, it will take higher education of developing countries at least ten years to catch up with the current level of learning environment of higher education of developed countries. Christensen and Eyring (2011) argue that the most valuable assets of a university are its faculty and physical campus. We certainly agree that HEIs' faculties (the people – hence their human capital) is their most valuable

asset, we would dispute the physical campus as an asset on its own. In fact, buildings and office space can be rented, thus not considered as an actual part of the organizational asset. They do play a significant role in building the reputation of the HEI, and form part of the ‘good will’ asset.

In order to effectively tap organizational learning, HEI need a right type of leadership with an appropriate vision for learning and organizational learning. Rayner, Fuller, McEwen, and Roberts (2010) review various models of leadership in the UK HEI, including collegiate leadership, transactional leadership, transformational leadership, collective leadership, managerial leadership, and distant leadership. However, they do not link leadership with learning organization. Bass explicitly depicts this relationship in education:

*‘The future educational leaders of learning organizations will be transformational. They will be democratic in their relations with teachers and students but also know when they must accept their responsibilities to take charge. They will see themselves as change agents dealing with a multiplicity of problems faced by schools in the 21<sup>st</sup> century. They will help their teachers and students to learn to be adaptable and prepared for the New World of globalism, diversity, the Information Age and the new economics. They will convert mandates and problems into challenges and opportunities’.* (Bass 2000, p. 37-38)

We agree, and argue that there is no a common recipe of leadership for all HEIs as HEIs vary from context to context, culture to culture. Though transformational leadership is the key characteristic, collegiate leadership, transactional leadership, distributed leadership, collective leadership, managerial leadership, and distant leadership may be also taken into considerations in a certain context to fit with its culture and level of human resource development. For example, a ‘servant leadership’ role may better work for academic leadership (Ryan 2008).



## **The impacts of learning organization on higher education**

Though becoming learning organization is a challenge for HEIs, it helps HEIs to turn challenges and threats to opportunities. In this part, we present and discuss three key issues that hold significant relevance for learning organization on HEIs: internationalization, knowledge worker mobility, and innovation and entrepreneurship.

### *Internationalization*

Higher education is transferring from traditional education providers to educational service providers due to the impact of globalization. Some universities have become ‘MNCs’, that is, operating in more than one country. Many others are striving for internationalization through recruitment and collaboration. They provide educational services not merely for domestic but also for international students in the process of increasing market share. They obtain research funding not only from their local funding bodies but from many other funding bodies outside their country boundaries. Therefore, becoming learning organization can help them to develop a holistic view of internationalization and promote internalization in various aspects. They are:

First, to become learning organizations leaders and employees must have a holistic view of the development of universities or HEIs’ in the context of globalization through shared vision and shared mental models. Therefore, they should adopt internationalization within their strategies systematically.

Second, learning organization by definition is creating the results that people truly desire, to nurture new and expansive patterns of thinking, to set collective aspiration free, to learn how to learn together (Senge 1990). Therefore, universities and HEIs as learning organizations can benefit from ‘brain gain’, attracting the talented from the world to work for them or to collaborate with them (Ou et al. 2012).

Third, learning organizations encourage learning at all levels and stakeholders, therefore deeply satisfying their key stakeholders such as students and employees. Having satisfied stakeholders is very likely to improve reputation and image locally and internationally which in turn attracts more potential students and investors.

However, not all disciplines get involved in internationalization at the same level. Business management and technology tend to have the largest extent of internationalization because of the pressure of globalization as well as the booming era of emerging economies in Asia Pacific, Middle East and Latin America (in particular the BRICS – Brazil, Russia, India, China and South Africa). Institutions and even individuals are undertaking relevant policies and practices to internationalize and cope up with the global economic environment (Altbach and Knight 2007). Though universities aspire to lead, the process of their internationalization is challenging. The challenge is that the meaning of learning, the methods of learning, and the implementation of learning processes are very much cultural oriented. It is not as simple as Americanization or Chinese-ization that is sometimes mentioned in relation to globalization (Ritzer 1993). For example, the meaning of learning is different between the westerners and easterners. In Western cultures, it is the individuals – normally young people – who decide to take up tertiary education if they think they need it and afford it. In Eastern Asian countries, it is often the parents of young people who want to invest their fortune into their children tertiary education with the hope that their children will have better life than theirs. Therefore, in countries such as China, Korea, Singapore, or Vietnam, not only students but also parents are vital stakeholders of HEIs, a trend that expands throughout the globe. Education and teaching are becoming a commodity, and the students are perceived as customers, consumers of these ‘products’. In many countries, the costs are covered to a large or full degree by the parents, making them significant stakeholders.

### *Academics/ knowledge worker mobility*

Managing knowledge workers is not an easy job for any organization (Horwitz, Heng, and Quazi 2003), especially when knowledge workers become more mobile than ever in the dynamic academic global labor market as an eco-system. Further, much of academic knowledge is tacit, and not easily become explicit (Nonaka 1994). Academics in HE are a distinctive type of knowledge workers. They have a power of owning special knowledge, skills and networks that their organization does not. Therefore, becoming learning organizations helps universities and HEIs not only attract but also retain this valuable workforce longer as learning organizations are places to nurture talent and inspire innovation. As a result, universities, like many other knowledge institutions, are highly dependent on their staff, in particular the academic staff which forms the core of the organizational assets (Armstrong 2000; Örtenblad 2009).

On the other hand, a constant move of individuals (and sometimes teams) across universities, across countries, and even cross disciplines – though it is seen as the limited validity of the boundaryless idea (Baruch and Hall 2004; Inkson et al. 2012) – is an inevitable trend of global HE. Universities and HEIs as learning organizations should prepare for the mobility of knowledge workers for their career development. Learning organizations nurture those knowledge workers including academics, scientists and managers move upward their career ladder. At the same time, the new wave of knowledge workers to replace the previous wave will bring fresh and different expertise for the universities as learning organizations to develop the universities further.

### *Innovation and entrepreneurship*

Clark (1998) identifies five key elements of self-instituting effort to change into entrepreneurial universities: 1) strengthened steering core fuses traditional academic values with stronger managerial perspectives; 2) enhanced development periphery provides the

university with a dual center in which traditional disciplinary based departments are supplemented by centers that manage new interfaces with the external world; 3) a discretionary funding based, a prerequisite for adaptability, involves a will to cross subsidize from the departmental/faculty haves to the have-nots; 4) academic heartland is stimulated in ways which are compatible with disciplinary core values and approaches; and 5) an entrepreneurial belief transcends the heroic chief executive or the management team and link up with other ideas at the institutional level.

Becoming learning organizations can improve these five key elements of entrepreneurship and innovation in universities. This argument is based on the following points. First, the strengthened steering core should be a shared vision across the institution that all members truly desire. Second, not only enhanced development periphery but also mental models help the institution to shape its systems holistically to develop internally and internationalize with the external world. Consequently the institution can adapt with complexity and uncertainty better. Fourth, the academic heartland is nurtured to innovate and drive for true values for large society. Fifth, the innovative and entrepreneurial belief is developed from within individuals and linked together in order to achieve the true vision that all members share. Finally, the relative new interplay between commercialism and knowledge development orientation should be well cultivated among higher education employees. Therefore, becoming learning organizations also helps higher education academics be more active and mobile even outside academic environment. In this sense, HEIs as learning organizations will truly create talents for the society.

### **Concluding thoughts**

Being a cradle of knowledge education and production, universities are supposed to be a perfect learning environment and have ultimate learning structure for learning organizations. Thus, the idea of becoming learning organizations should have been conceptualized clearly

and appropriately in HEIs. This chapter provides some evidence that HEIs are to embed in learning organization vision to innovate and internationalize due to challenges and opportunities of globalization.

Through our multi-level analysis of the systems thinking approach and practical approach, we conclude that mastering learning at work and organizational learning should be possible to achieve. HEIs possess a strong pool of talented and highly qualified knowledge workers. However, for efficient process of becoming learning organizations, HEIs need to create positive climate for learning and effective learning structure, some of which might be external to single institutions, and can be global (like international conferences). The learning structure that fits for HEIs would be one that provides autonomy for both individual scholars and departments or schools, decentralization in line with different disciplines. People should be empowered to lead their future research agenda and develop teaching competence via continuous learning within a non-hierarchical structure. In the case of developed higher education like the UK, creating climate for learning and learning structure mainly depends on visionary leadership. Western institutions, like those in the UK are equipped with good foundation for letting employees to take initiatives, even risks. In the case of developing higher education like Vietnam, more is required: Not only visionary leadership, but also more capital investment in this sector as well as change in organizational culture where taking initiatives and work in less hierarchical system. Though challenging, it should be feasible for HEIs to transform to learning organizations, where 'recipes' for becoming learning organizations have been richly developed. HEIs as well as other businesses only need to apply those recipes/theories appropriately according to their own contexts.

In order to move forward, leadership poses a real challenge for HEIs because academics form a type of knowledge workers who tend to be more committed to their careers

than their institutions. Many take their career as a ‘calling’ (Baruch and Hall 2004; Hall and Chandler 2005), and develop their work learning (Örtenblad 2004) in communities that do not always belong to their institution but to their discipline. This is a barrier to specific institutional learning but enable a wider-scale learning communities within ‘silos of discipline knowledge’.

Leadership is critical in learning organizations in higher education as leaders are the ones who have passion for learning organizations, who have ability to share vision among their employees, who facilitate learning culture, and who nurture their employees’ leadership. Leaders are vital for the process of becoming learning organizations as they are the ones to create and nurture sufficient conditions for learning organization typology (Örtenblad 2013).

We wish to emphasize that in a globally collaborative rather than competitive trend, becoming learning organizations can become the most advantageous option for HEIs as well as their academics to stand out in building knowledge, developing talents, and ultimately creating wealth and health for the society. Through this chapter, we emphasize that becoming learning organization should not be forced upon HEIs, but it should be the choice that would help them survive and succeed in a complex, dynamic and uncertain globalization. To implement the process of learning organization effectively and successfully, leaders of HEIs can apply various theories and practices of learning organization which works for their institution. We strongly recommend to combine Senge’s (1990) and Bui and Baruch’s (2012) holistic view and Örtenblad’s (2002, 2013) practical approach of learning organization, and employ a multi-level analysis methods in order to fully understand and creatively and innovatively design their own learning organization.

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