

A Model Linking the Learning Organization and Performance Job Satisfaction

Khalil M. Dirani

University of Illinois at Urbana-Champaign

The underlying theories of learning and performance are quite complex. This paper proposes a model that links the learning organization theory as a process with job satisfaction as a performance theory outcome. The literature reviewed considered three process levels of learning within the learning organization and three outcome levels of job satisfaction: individual, group and organizational levels. The paper suggests that this model is rather one of plausible answers to measure learning and performance quantitatively.

Keywords: Learning Organization, Performance, Job Satisfaction

The global expansion of organizations and technological advances predict that organizations should focus on training and learning activities as strategic choices in order to compete in the new marketplace. As technology and globalization are accelerated, organizations find themselves incorporating a learning culture in order to solve performance challenges, to meet new customer expectations, and face the rising costs of doing business (ASTD, 2000). Human resource development (HRD) has some opportunity, even when restricted by reporting positions and levels of authority, to proactively influence the direction, pace, and salience of learning in organizations and thus solve performance challenges and influence performance outcomes of organizations.

HRD, as a field of practice, focuses on “unleashing” the resources that humans bring to the success of individuals and organizations (Swanson & Holton, 2001). The two main constructs of HRD, and are repeated time and again in a range of definitions (Wienberger, 1998), are individual and organizational learning and individual and organizational performance (Swanson, 1996; Watkins & Marsick, 1996; Ruona, 2000). Learning is thus a main construct for the field of HRD. One of the learning theories that is related to organizational development and that has been a focus of attention in the organizational literature since early nineties is the learning organization theory (Senge, 1990; Marquardt, 1996; Watkins & Marsick, 1993; Garvin, 1993). The other construct is performance. Performance is a multidimensional construct. A number of major categories of performance are organizational financial outputs, employee job satisfaction and customer satisfaction (Brown & Michell, 1993). Research on the link between organizational culture and performance had increased substantially in the past twenty years (Swanson & Holton, 2001; Kim, 1995).

Purpose of the Study and Research Question

There should be little doubt that an organizational culture oriented towards supporting learning can lead to improved performance (Lim, 1995). Many studies confirm this and also suggest that the path towards performance improvement is highly complex and idiosyncratic. But what is clear from research and practice, organizations need tools to help them figure out where they are and where they need to be. Most of the research designs dealing with the learning organization were based on case studies (Marsick & Watkins 1996). The purpose of this paper is to present a model that follows a descriptive quantitative approach and links the learning organization as a process with employees’ job satisfaction as a performance outcome (Guns, 1996). In addition, this model will establish a link between the organizational culture stressed within the learning organization and employee job satisfaction as a performance outcome. This linkage will be at three levels, individual, group, and organizational. The study will start by proposing the model, followed by literature review of the learning organization theory from an HRD perspective with specific attention to the Dimensions of the Learning Organization Questionnaire developed by Watkins and Marsick (1996), followed by literature review on performance theory and employees’ job satisfaction as an outcome for learning, with specific attention to the Minnesota Satisfaction Questionnaire (MSQ) and finishing with discussion and limitations on the proposed model.

The following research question will be guiding this paper: What is the relationship between the learning organization concept as a process and performance job satisfaction as an outcome?

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Theoretical Framework

Quantitative research on the link between performance and organizational culture has been undertaken in the United States for a long time (Ashkanasy, Wilderom & Peterson, 2000). Keeping in mind that there are different ways in which outcomes feedback might be measured, scholars had stressed the value of surveys because a standard format allows for reliable and repeated measures across people and over time (Zeithaml et al., 1990).

In a similar approach to the work of Egan, Yang and Bartlett (2004), the framework of this paper is based on two theoretical works that are based on quantitative survey measures. The learning organization culture in the model will be based on the Dimensions of the Learning Organization Questionnaire (DLOQ) developed by Watkins and Marsick (1996). The performance job satisfaction in the model will be based on the “Minnesota Satisfaction Questionnaire” (MSQ) developed by Weiss, Dawis, England, and Lofquist (1967). The Framework model for this study is shown in figure 1.

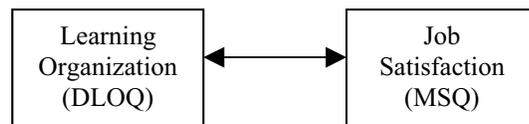


Figure 1. *Conceptual Model of the Relation between Learning Organization and Job Satisfaction*

Literature Review

The following section will be a review of the literature pertaining to the Learning organization theory, organizational performance theory and job satisfaction.

The Learning Organization

The learning organization is not a new concept. The current HRD and management literature can be categorized into two streams with regard to learning at the organizational level, namely organizational learning and the learning organization (Robinson, 2001). Although not completely clear and many scholars use the terms learning organization and organizational learning interchangeably, there are some differences between the two concepts. For organizational learning, some scholars consider it as a domain of academics (Ortenblad, 2001; Tsang, 1997). Argyris and Schon (1978, 1996) are considered pioneers in the field of organizational learning and their works are commonly quoted in most organizational learning literature (Lipshitz, 2000). For the field of the learning organization, many researchers consider it as a domain of practitioners and as a domain concerned with how to change the behavior of the organization and bring it closer to a desired state (Ortenblad, 2001).

As a field of practice that started in the early nineties, Peter Senge in his work the “Fifth Discipline” popularized the learning organization concept in the West. Scholars and practitioners alike consistently note that although much is said about the learning organization and suggestions about why the process works, few concrete descriptions consider how this concept works. In fact, little is known about how to implement the learning organization abstract ideas across national or local cultures and in different kinds of organizations. Kuchinke (1995) considered the learning organization concept as oversold and many organizational development professionals take it as a remedy for many organizational problems.

Various definitions are found in the literature for the learning organization. Nonaka (1991) considered that successful organizations of the future are the ones that adapt a learning culture throughout the company. Senge (1990) suggested five disciplines of the learning organization including personal mastery, building shared vision, measuring mental models, team learning, and systems thinking. Garvin (1993) believed that Senge’s five disciplines were abstract and defined the learning organization as “an organization skilled at creating, acquiring, and transforming knowledge, and at modifying its behavior to reflect new knowledge and insight” (p. 80). Garvin considered that meaning, managing, and measuring as the required tools for a learning organization (Ellinger, 1997). Ortenblad (2001) viewed the learning organization as a process that needs effort. He considered the change of behavior of the organization to be a requisite for the learning organization. Watkins and Marsick (1993) argued that the learning organization was not a collection of individuals learning within the organization; rather they considered it as a process occurring at different levels of the organization.

The learning process itself can be broadly defined as single-loop learning and double-loop learning (Argyris & Schon, 1978). Single-loop learning might be explained as the limited changes to current norms and assumption of the organization. On the other hand, double-loop learning questions and changes these norms and assumptions.

Senge (1990) refers to single-loop learning as adaptive learning and to double-loop learning as generative learning. Scholars go further to categorize the knowledge acquired from these two types of learning at the organizational level. The result is two types of knowledge that can be defined as explicit knowledge and implicit (some call it tacit) knowledge. Explicit knowledge would be externally available in the organization and can be coded into systems, structures, and routines. Tacit knowledge is concerned with creation and management that are considered more strategic (Nonaka, 1991). Tacit knowledge lies in the bodies and minds of individuals. It often can be felt but extremely difficult to replicate.

The learning organization concept can be divided into levels. Although Holton (1999) stressed that approaches to frame the organization into levels vary widely, many scholars depicted the learning organization through three levels, the individual level, the group level, and the organizational level (Cummings & Worley, 2001, Watkins and Marsick, 1996). The five-discipline model suggested by Senge (1990) implicitly brings in these three levels of learning: the individual level (mental models and personal mastery), the group level (team working) and the organizational level (shared vision and systems thinking). Similarly, Watkins and Marsick (1993, 1996) suggested the same three levels of organizational learning as a framework. They included in the individual level two dimensions of organizational learning: continuous learning and dialogue and inquiry. In the group level, they included team learning and collaboration. And in the organizational level, they included four dimensions of organizational learning: embedded systems, system connections, empowerment, and provide leadership for learning. Table 1 summarizes Watkins and Marsick's framework of the seven dimensions and their definitions.

Table1: Dimensions and Definitions for the DLOQ (adapted from Watkins and Marsick, 2003)

Dimension	Definition
Create continuous learning opportunities	Learning is designed into work so that people can learn on the job; opportunities are provided for ongoing education and growth.
Promote inquiry and dialogue	People gain productive reasoning skills to express their views and the capacity to listen and inquire in to the views of others; the culture is changed to support questioning, feedback, and experimentation.
Encourage collaboration and team learning	Work is designed to use groups to access different modes of thinking; groups are expected to learn together and work together; collaboration is valued by the culture and rewarded.
Create systems to capture and share learning	Both high-and low- technology systems to share learning are created and integrated with work; access is provided; systems are maintained.
Empower people toward a collective vision	People are involved in setting, owning, and implementing a joint vision; responsibility is distributed close to decision making so that people are motivated to learn toward what they are held accountable to do.
Connect the organization to its environment	People are helped to see the effect of their work on the entire enterprise; people scan the environment and use information to adjust work practices; the organization is linked to its communities.
Provide strategic leadership for learning	Leaders model, champion, and support learning; leadership uses learning strategically for business results.

Based on the seven dimensions of the learning organization (Watkins & Marsick, 1996; Marsick and Watkins, 2003) Watkins and Marsick formed the Dimensions of the Learning Organization Questionnaire (DLOQ) that was tested and validated empirically (Yang, 2003)

Performance

The performance theory is considered to be more recent than the learning theory (Swanson & Holton, 2001). What is more, organizational systems are more complex than one performance theory can explain. Thus, there is no one view of performance and as such different performance theories try to explain specific and limited range of performance constructs within organizations. Many scholars in the field of HRD and other disciplines suggested different performance models with three levels of analysis, individual, group, and organizational (Swanson, 1994; Langdon, 1995; Schneir, 1995). Swanson and Holton (2001) for example, presented the “performance improvement strategy” model as a learning organization improvement strategy. Swanson (1994) suggested a performance model at the three levels to measure outputs in terms of quantity, time, and quality features. Rummeler and Brache (1995) suggested a model for achieving competitive advantage through learning how to manage individuals, processes and organizations effectively. They considered that success and failure of organizations lied in understanding the variables that affect the three levels of an organization.

As mentioned earlier, performance is a multidimensional construct. As an outcome measure, a number of major categories of performance are evident, including financial outputs, customer satisfaction, and employee job satisfaction. Employee job satisfaction has been shown to be one of the important predictors of performance (Lee, 1988). Brown and Michell (1993) viewed job satisfaction as an important performance indicator for organizations. To illustrate this point, scholars take into account how indirect costs associated with job dissatisfaction may include training, recruiting, and learning curve inefficiencies, as well as reduction in the client base.

Job Satisfaction

Job satisfaction had been a core topic for researchers for a long time. Today, there is perhaps no area in the social sciences that is loaded with more ambiguity and conflicting opinions than that of work satisfaction. Still, there are fewer areas more researched. And still job satisfaction is considered as one of the important dimensions of performance measures. This illustrates how complex job satisfaction is. Yet many researchers had treated it as if it were one-dimensional. While it is growing more apparent that work satisfaction is associated with other factors such as familial responsibility, stage in the life-cycle, and opportunity structure, it should be emphasized that in this study satisfaction is considered only in relation to one’s work.

Job satisfaction is commonly defined as the extent to which employees like their work (Agho, Muller, & Price; 1993). It is an attitude based on employee perceptions, whether negative or positive, of their jobs or work environments (Pool, 1997). Most efforts to explain job satisfaction have been dominated by the person-environment fit paradigm (Kristof, 1996; Brief, 1998). Research had suggested that job satisfaction measures might differ in the extent to which they measure more of an affective satisfaction or a cognitive satisfaction (Spector, 1997). Affective satisfaction is satisfaction that is based on overall positive emotional appraisal of the job. On the other hand, cognitive satisfaction is satisfaction that is based on a more logical and rational evaluation of the job conditions. Brief and Roberson (1987) tested different job satisfaction measures and found that the Minnesota Satisfaction Questionnaire (MSQ) (Weiss, Dawis, England, & Lofquest, 1967) was the most cognitive in its orientation. In a similar work, Williams (1988) tested different job satisfaction measures and found that the Brayfield-Rothe (1951) job satisfaction scale was more affective than the rest of measures in its orientation. Therefore job satisfaction measures appear to differ in the degree they reflect cognition and affect. That being said, there is no one model of job satisfaction that is applicable to all work settings, and it seems clear that the applicability of any approach depends on situation-specific issues. At the same time, satisfaction cannot be viewed in isolation from the social environment of the complex organizational setting to which satisfaction reports are directed. Still, Weiss and colleagues (1967) believed their MSQ instrument was constructed to measure both cognition and affect domains. The original MSQ consisted of 100 questions with 20 subscales measuring satisfaction with different variables such as achievement, advancement, and recognition (Weiss, Dawis, England, & Lofquist, 1967). A more frequently used measure is a 20 questions short MSQ form. Twelve of these items measure the intrinsic satisfaction and eight items measure extrinsic satisfaction. In other words, the first set of questions measured the affective domain, and the second set of questions measured the cognitive domain.

Job satisfaction can be attributed to two factors, environmental antecedents and personal factors. Environmental antecedents of job satisfaction pertain to factors associated with the work itself or work environment, while personal factors focus on individual attributes and characteristics. At the same time, job satisfaction can be seen at three levels of the organization, individual, group, and organizational levels. At the individual level it has been generally agreed that behaviors and attitudes tend to be a function of the interaction between the person and the environmental situation (Katz, 1978). As a result, job satisfaction is most likely influenced by both the psychological and personality characterizations of employees as well as by their definition of and interaction with the overall work setting. At the group level and since the movement towards teamwork became popular (Senge, 1990), research had reported on gains achieved through programs of job enrichment and team-work programs to counteract employee

alienation and enhance intrinsic motivation by being in a learning environment where workers perform in their everyday activities. Ellickson (2002) suggested that if organizational social factors had presented obstacles to employees or to the organization, job satisfaction and performance might be negatively affected. Ellickson (2002) also suggested that the work group is part of a larger psychological climate that includes an atmosphere of cooperation and friendliness among work group members and that resulted in more satisfaction among employees. At the same time, job satisfied workers at the group level produced work of higher quality and quantity than other groups in the organization, especially with the existence of open lines of communications and trust among all members of the department. At the organizational level, research had shown that environmental antecedents of job satisfaction were linked to extrinsic rewards such as promotional opportunities (Iverson & Maguire, 2000) and pay (Blau, 1999). Extrinsic rewards had sometimes been characterized as “investments” that organizations use to help strengthen ties between themselves and their employees (Behn, 1995).

Discussion

All organizations learn by adapting to the changes of the work around them. But some organizations learn faster and in more effective ways. These organizations consider learning as part of everyday work (Senge, 1990). Thus organizations need to create a learning environment where everyone becomes interested in learning and in improving their work knowledge. Becoming a learning organization can help facilitate a significant organizational change and thereby maintain sustainable competitive advantage.

The ability to continuously learn is critical for organizational success. This puts more pressure on the organization as well on the employees to continuously develop, improve, or refine their existing work skills through formal or informal learning. At the same time, organizations seek greater efficiency and higher productivity. Thus, many companies continue to redesign, reconstruct and automate their processes and operations. Organizations are paying more attention than ever before to recruiting and retaining qualified employees and thus offering better benefits and supportive work environment. As the demands of the workplace are continuously changing, companies are paying more attention to increased organizational commitment, increased job satisfaction, and creating a learning organization.

Organizations understand that their employees are fundamental assets and thus try to leverage these assets to have greater ability and higher performance. Learning changes the attitudes of employees towards their peers, towards customers, and it relates towards their retention within the company, their job satisfaction, and the achievement of the organizational goals.

Since it is critical to examine the effects of the learning organization on the performance outcomes, this framework, captures the seven dimensions of the learning organization in relation to extrinsic and extrinsic job satisfaction, needs to be examined in order to provide the corporate community with empirical data that will allow them to provide for the changes in the business world and remain competitive in the knowledge era.

One of the biggest roadblocks to the implementation of the learning organization and job satisfaction is tied to the knotty problem of generalizing from specific case studies. As a result, a broader, more inclusive theoretical and methodological framework was needed from which cross-organizational generalities can be made concerning the reactions of employees to learning and training activities over time and under varied work conditions. The author proposed a model to explain the relationship between the learning organization as a process and job satisfaction as a performance outcome. Based on the literature reviewed, this model would enable HRD professionals to measure quantitatively the relation between learning and performance. More specifically, The DLOQ takes into consideration the three levels of learning, individual level, group level, and organizational level. At the same time, the literature reviewed suggested that the MSQ framework is strongly linked to the three organizational levels. What is more, both survey instruments were empirically tested and validated time and again.

Limitations

Finding evidence on validity should not imply that the Model is a perfect instrument. In fact, many areas need to be tested. More theoretical analysis and empirical studies are needed to examine the nature of the relevant dimensions (Yang, 2003). Care should be taken in generalizing the model identified in this study. Because of the multidimensional and complex nature of both the learning organization and performance theories, the type of organizations to be identified and tested might be only one of the possible networks that specify the relationships among different levels of the learning culture and performance outcomes. There are rather complicated interactions among the dimensions in each of the different levels. Thus, there might be other equally plausible models that might give better results. The possibility of equally fitted models for one data set is called the problem of equivalent

models (MacCallum, Wegener, Uchino, & Fabrigar, 1993). One method to overcome such a problem is to examine several alternative models and select the best one based on both statistical and substantial criteria (Benson & Hagtvet, 1996).

The proposed model relates learning culture to one performance approach, job satisfaction. One might argue that performance is a complex and a multi construct and that job satisfaction is only one part of the story. How to assess organizational performance requires more than one model. Still, understanding different perspectives, even though limited, sheds light on the learning-performance link and is one of many approaches to measure this link.

Conclusion

Research in HRD and management fields had utilized a variety of learning and performance indicators in various kinds of organizations and industries. The author proposed a framework for future testing of this link. Yet, more learning-performance research is needed in the west as well as internationally. This work is likely to shed some light on the sentiments of employees regarding their organizations when the organizational culture is geared towards learning.

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