

LEADERSHIP STYLES AND THEIR INFLUENCE ON THE
LEARNING ORGANIZATION IN SIME SEMBAWANG
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ABSTRACT

This study is an attempt to address the relationship between leadership styles and their influence on the learning organization in SSE Sdn Bhd. Pasir Gudang, Johor. It also strives to measure the state of learning organization SSE Sdn. Bhd is at. The specific objectives of the study were to examine the degree of learning activities advocated by Garvin (1993) in his "Building-Blocks" . They are transferring knowledge, learning from others, learning from past experience, experimenting with new approaches and systematic problem solving. These are equated to learning organization.

In addition, Hersey-Blanchard's situational leadership theory (1977) postulating four leadership styles of telling, selling, participating and delegating is employed to identify the dominant leadership style that governs SSE Sdn. Bhd. Finally, the relationship between the independent variable of leadership styles and learning organization being the dependent variable is looked at.

From the perception of the 130 respondents, it was revealed that of the five learning activities, systematic problem solving is the only practice implemented at a high level in SSE Sdn. Bhd. Learning from others, learning from past experience and experimenting with new approaches is applicable at a moderate range whilst the least practiced activity is transferring knowledge, denoting this to be in the low level.

Findings reflect that the leadership style dominant in SSE Sdn. Bhd is the participating style. The magnitude of the relationship between leadership styles and learning organization is a significant positive moderate one.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Leaders and influencers of organizations worldwide are looking for ways and means to make their organizations more effective, adaptive and flexible so as to strive and thrive in the rapidly changing marketplace. Learning how to learn in a continuous learning mode by transforming organizations to become or be a learning organization is fast becoming an important agenda. O' Brien (1994) says that this approach is proving to be one of the most advantageous tool an organization can use to adapt to and capitalize on change.

Senge, (1990) a prominent authority on learning organizations defines it as one where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free and where people are continually learning how to learn together.

Organizations need to learn how to reorganize, reduce costs, innovate and create new opportunities for gaining competitive advantage. Kanter, and Hornstrike (1997) note that it has been known that by becoming or being a learning organization aids large companies to be corporations and be competitive globally. Motorola, British Petroleum, shell and Xerox are frequently cited as learning organizations that build competitive advantage over time other than being multi-nationals (Goh, 1998).

Richardson (1995) says organizational learning has more recently become an explicit strategic issue as strategists have recognized how organization-wide learning underpins productivity improvements and innovator activities in quickly changing and multi-influence business situation.

Senge's (1990) Fifth Discipline encompasses a five-fold discipline that creates a learning organization; these being shared vision, team learning, personal mastery, mental models and systems thinking. Five main activities in a learning organization include transferring knowledge, learning from others, learning from experience, experimentation with new approaches and systematic problem solving. These would be the dimensions looked at in this study.

To be a learning organization, leaders play key roles. To this effect, the learning organization is an appealing concept that reflects the aspirations of leaders today. Senge (1990) and Pedler et.al., (1991) content that leaders should envision organization-wide learning to every member of the organization as Schemerhorn (1996) says that leadership is a process of inspiring others to work hard to accomplish important tasks. Management attitude towards learning and resource allocation for exploitation depends very much on leadership styles (Bell, 1973).

To uphold learning as an important and continual agenda, leaders and their leadership styles must be able to exert influence over other people, inspire, motivate and direct their activities to help achieve group or organizational goals (Jones et. al. 1998). Vail in Anantaram (1993) shifts the responsibility of leading solely on one person to that of the top management of the organization. Leaders, in this study would also take to mean the think tank or top management of the organization where applicable, therefore.

Leaders must have clear vision of the goals of the organization to ensure that members of the organization know the direction in which their learning efforts need to be focused on, whatever their leadership style/s might be.

Mullins (1985) expresses that in the work situation, it has become increasingly clear that managers can no longer rely solely on the use of their position in the hierarchical structures as a means of exercising the functions of leadership. In order to get the best results from subordinates, the manager must also have regard for the need to encourage high morale, a spirit of involvement and co-operation, and a willingness to work. This give rise to consideration of leading.

Styles of leadership are usually classified under two extreme headings of authoritarian and democratic. Sometimes a third heading of laissez-faire is included. There are of course a number of dimensions within these broad headings, and a number of other styles such as dictatorial, bureaucratic, benevolent, charismatic, consultative, participative and abdicatorial.

The authoritarian style is focused on the leader where the leader alone exercises decision making and authority for determining policy, procedures for achieving goals, work task, and relationships, and also control and rewards.

Where there is more focus on the group as a whole and greater interaction is within the group, the leadership is democratic. The group members have a greater say in decision-making, determination of policies and implementation of systems and procedures.

According to Mullin (1985) on this subject, a genuine laissez-faire style is where the leader observes that members of the group are working well on their own. The leader then consciously makes a decision to allow them freedom of action and not interfere, but is readily available if help is needed. In contrast, leaders who do not care, or deliberately keep away from the trouble spots and do not want to get involved have adopted a non-leadership style, also labeled as abdication.

The concern of the study is to look at the different leadership styles prevalent in SSE. Sdn. Bhd. The dominant leadership style will then be identified. In furtherance, it