Learning organization and leadership style in Thailand

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Abstract
Of the 686 front-line subordinates of thirteen companies, from three industrial parks, 576 responded for a response rate of 83.96%.Findings showed that learning organization and transformational leadership style were highly correlated. Strategic leadership showed the highest correlation with the five factors of leadership. Hard worker had been highly correlated with strategic leadership and dialogue and inquiry. While rewards showed lowest correlation with the three dimensions of learning.

Introduction
The learning organization concept has been in focus as one of the major concept in management literature since 1990. It has also been increasingly interested among Thai academia and practitioners. There are many books in the Thai language such as *The Fifth Discipline* (Senge, 1990) and Watkins and Marsick's (1993) *Sculpting the Learning Organization: The Art and Science of Systematic Change*. Base on concepts introduced in these books, many organizations eagerly aim to implement learning organization practices. There has been several workshops listed by the Thailand Business Council for Sustainable Development took place in Thailand's winning companies like Advance Agro Company Limited, Amway Thailand, Bangchak Petroleum Public Company Limited, Electricity Generating Authority of Thailand, PTT Public Company Limited, Saha Union group, and Toyota Motors Thailand. However, a literature search identified less empirical research on the learning organization in the Thai context. So, there is modest knowledge about the concept of organization learning, which originated in a western context, in the Thai context.

Peter Senge (1990) stated in his famous book, The Fifth Discipline, that it takes a new view of leadership to put learning organization into practice. He suggests that leaders must be designers, stewards, and teachers. Learning organizations require managers who can effectively challenge traditional perspectives, manage the organization's knowledge base, and make necessary changes (Robbins, 1993). Leadership has also been a topic of interest among Thai researchers in several industries like education industry, multinational corporations, hotels and the army (Amnuchkmanee, 2002; Cheaupalakit, 2002; Dangsuwon, 2002; Laohavichien, 2004; Pimapunsri, 2008, Saetang, 2004). There is not many empirical research data on the linkage of leadership and learning organization.

Research Problem
According to Senge (1990), leadership is critical in facilitating a learning organization. This study aimed to investigate level of learning organization the relationship on learning organization and leadership style in the manufacturing industry.

The purpose of this study was to discover subordinates' perceptions of their organization as a learning organization by investigating the seven dimensions of a learning organization by

Watkins and Marsick (1993). The influence of perceptions of managers' leadership style on subordinates' perceptions of their companies as a learning organization was investigated. Simultaneously, the influence of dimensions of a learning organization on leadership style was also investigated.

Theoretical Framework

The theoretical foundation for this study is comprised of conceptualizations of Watkins and Marsick's (1993, 1996) learning organization and Bass's (1985) theory of transformational and transactional leadership. Watkins and Marsick (1993) defined the learning organization as one that captures, shares, and uses knowledge to change the way in which the organization responds to challenges. Central to this theoretical framework of the learning organization are seven complementary action imperatives: (1) create continuous learning opportunities (continuous learning); (2) promote inquiry and dialogue (dialogue and inquiry); (3) encourage collaboration and team learning (team learning); (4) empower people toward a collective vision (empowerment); (5) establish systems to capture and share learning (embedded system); (6) connect the organization to its environment (system connection); and (7) provide strategic leadership for learning (strategic leader) (Watkins & Marsick, 1993). Watkins and Marsick (2003) developed the Dimensions of Learning Organization Questionnaire (DLOQ) to assess the learning organization on seven dimensions. It was developed based on both conceptualization and practice to measure organizational learning and its association with organizational performance.

The second theory used in this study was transformational leadership by Bass (1985). Bass proposed that the concept of transactional and transformational leadership includes seven leadership factors that he labeled as charisma, inspirational, intellectual stimulation, individualized consideration, contingent reward, management-by-exception, and laissez-faire leadership. Bass's (1985) framework of leadership styles and his research have made important contributions to the concept of leadership. Bass and his colleagues (1985) developed and modified the Multifactor Leadership Questionnaire (MLQ). The MLQ has been validated in various samples and cultures with distinctions between samples and cultures. Saetang (2004) modified and translated the MLQ to measure transformational and transactional leadership in the Thai context and explored its relationship to the outcome variable of subordinates' satisfaction with supervision. She reported the underlying constructs of transformational and transactional leadership in the Thai context; hard worker, training and encouraging employees, strategic planning, democratic workplace, and employee development represented transformational leadership style, and rewards represented transactional leadership style. Pimapunsri (2008) conducted a study to examine the relationship between transformational leadership and their job satisfaction in five-star hotels in Thailand. The result show significant positive relationship between transformational leadership and the outcome variable.

Research Question

The purpose of this study was to investigate the dynamic relationships among learning organization and leadership style using the following questions as a guideline:

1. Do subordinates' perceptions of managers' leadership style influence subordinates' perceptions of their company as a learning organization?
2. Do dimensions of a learning organization influence subordinates' perceptions of managers' leadership style?

Method

A survey questionnaire was used to investigate the relationship between learning organization, and leadership style.

Sample

Thirteen companies, in three industrial parks, were selected to participate in this study. All current front-line subordinates of department managers were invited to participate in this study. Front-line subordinates are those who receive an annual performance evaluation and who receive formal and informal feedback from, and report directly to, a department manager. Of the 686 front-line subordinates who received the survey, 576 responded for a response rate of 83.96%. Most participants were female (n= 305, 53%), with the majority being Thai (n= 547, 95%).

Instrument

The Dimensions of Learning Organization questionnaire (DLOQ) (Watkins & Marsick, 1996) was used to measure the influence of a learning organization culture. The DLOQ was selected because it has been widely used in several studies in many parts of the world. It has proven to be a reliable and valid measure of learning organization culture. The original, long-form DLOQ consists of 43 items. The instrument requires the respondent to determine the degree to which the statement reflects the approach practiced in the organization. Each statement is measured on a scale of 1-6, ranging form "1" for "almost never" to "6" for "almost always." Numerous studies have been conducted to establish the reliability and content and predictive validity of the DLOQ (e.g., Ellinger, Ellinger, Yang, & Hoten, 2002; Selden & Watkins, 2001; Yang, Watkins, Marsick, 1998). Several stages of empirical research have assessed the psychometric properties of the DLOQ.

This study used an abbreviated form of the DLOQ that included 21 measurement items, three for each of the seven dimensions (Yang, 2003). Table 1 show the results for DLOQ used to measure learning organization in this study, the eigenvalues for strategic leadership, dialogue and inquiry, and embedded system dimensions of the three factors were above 1.0 with factor loadings ranged from .66 to .82 (p < .01). While other three dimensions (continuous learning, system connection, and team learning) had no factors loaded at the minimum of .40. Therefore, they are not included in this study's findings.

Table 1
Initial Variance for DLOQ

	Total Variance Explained		
Factor	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	10.29	49.02	49.02
2	1.37	6.51	55.53
3	1.17	5.56	61.09
4	.95	4.54	65.63
5	.84	4.02	69.64
6	.76	3.55	73.20
7	.68	3.26	76.46
Extraction Method: Principal Component Analysis.			

To measure   transformational and

transactional leadership style, this study employed the leadership questionnaire developed by Saetang (2004) in Thai, based on Bass (1985), to measure the leadership style of school principals in Thailand. The questionnaire consists of 30 items with 5 factors (1 = not at all, 5 = frequently or always). The result of Saetang's study indicated that the underlying constructs of transformational and transactional leadership in Thai context were Hard Worker, Training and Encouraging Employees, Rewards, Strategic Planning, Democratic Workplace, and Employee Development. Development represented a transformational leadership style, while Rewards represented transactional leadership style (Saetang, 2004). Saetang (2004) reported an overall reliability of .98 using Cronbach alpha. Table 2 shows eigenvalues for leadership factors, the eigenvalues for all five factors were above 1.0 with factor loadings ranged from .45 to .85 (p < .01).

Table 2
Initial Variance for Leadership questionnaire

Total Variance Explained			
Factor	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	11.198	37.33	37.33
2	3.383	11.28	48.60
3	2.113	7.04	55.64
4	1.644	5.48	61.13
5	1.052	3.50	64.63
Extraction Method: Principal Component Analysis.			

Data Analysis

Structural Equation Modeling (SEM) was used to answer the research questions. SEM is a multivariate statistical procedure that allows researchers to test theoretical models with latent variables and multiple indicators. The SEM technique was used to examine the fit between empirical data and the hypothesized model. Analysis of Moment Structures (AMOS) (Arbuckle, 1997) was employed to test the correlations and relationships among variables in the proposed framework.

Results

All correlations among the five factors of leadership style and three dimensions of learning organization were significant. These five factors of leadership style were significantly correlated with the three dimensions of learning organization and satisfaction with supervision. Three dimensions of learning organization were significantly correlated with satisfaction with supervision. The number of significant correlations, however, may be an artifact of the size of the sample. Table 3 shows correlation among all the factors, the results demonstrated a very high correlation between strategic leader and strategic planning (.537, p < .01) and hard worker high correlation with all three learning organization dimensions dialogue and inquiry, embedded system and provided strategic leader (.513, .392, .521, p < .01).

Table 3:*Correlation Matrix*

	RW PL	DW	SP	HW	TE	DI	ES
Rewards (RW)	1.000						
Democratic Workplace (DW)	.311	1.000					
Strategic Planning (SP)	.312	.496	1.000				
Hard Worker (HW)	.316	.741	.575	1.000			
Training and Encouragement (TE)	.389	.602	.524	.560	1.000		
Dialogue and Inquiry (DI)	.217	.417	.418	.513	.388	1.000	
Embedded System (ES)	.366	.315	.327	.392	.290	.553	1.000
Provided Strategic Leader (PL)	.268	.433	.537	.521	.479	.640	.641
	1.000						

Discussion

This study assessed a framework of learning organization and transformation leadership using 576 managers' front-line subordinates of thirteen companies in Chonburi, Thailand as the sample. Transformational leadership questionnaire developed by Saetang (2004) was used in the present study to investigate subordinates' perception of managers' leadership style. A dimension of learning organization questionnaire (DLOQ) was used to observed subordinates' perception of learning organization in their companies. The study confirmed that these constructs are applicable to this Thai manufacturing industry context. Three dimensions from the seven dimensions of DLOQ, namely, inquiry and dialogue, team learning, and system connection, are not applicable to this industry context. Findings indicated transformational leadership style showed a high influence on dimensions of the learning organization.

Conclusion

Based on the results from the present study, learning organization and transformational and transactional leadership style were highly correlated. Strategic leadership showed the highest correlation with the five factors of leadership style followed by dialogue and inquiry. Hard worker had been highly correlated with strategic leadership, embedded system and dialogue and inquiry. While rewards showed lowest correlation with the three dimensions of learning organization namely dialogue and inquiry, embedded system, and strategic leadership

Recommendations for Practice

Henry Mintzberg (1994) stated that in order for an organization to be successful, it must continue to learn. Learning organization is subject to environmental changes and highly turbulent business conditions. Leadership is one of the essential parts in learning organization. The results from the present research suggest that managers should engage in transformational leadership style to promote learning organization. Subordinates need to be offered opportunities to reflect their and others' experiences, and allowed to take risk making work-related decisions on their own everyday activities. These accomplishments will ensure that individuals learn continuously. Managers should encourage subordinates to deal with, learn from problems and share what they have learned with their co-workers to facilitate team learning. To encourage subordinates to share their viewpoint, managers should give positive feedbacks on the subordinates' point of view before demonstrate managers' own ideas. There should be channels that would help subordinates to pass on what they have learned to people within and outside of

the team. Learning organization, while not the only tool, is a tool that companies and organizations can use to manage rapid changing business environment.

Recommendations for Future Research

Like the other studies, the present study had its own limitations. The sample in this study is department managers' front-line subordinates of thirteen manufacturing companies in Chonburi, Thailand. It is suggested that future study should be conducted in other industry in Thailand to examine different viewpoint. This study investigated subordinates perception on the two constructs, leadership style and learning organization. This demonstrated subordinates' viewpoint. Managers perception should be addressed in the future research to observe both subordinate and manager perspectives.

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