

The Learning Organization from an Islamic Perspective

A Case Study in Islamic Organization

*Aini Ahmad^a, John Burgoyne^b and David Weir^c

^aUniversiti Malaysia Pahang, Malaysia, ainiahmad@gmail.com

^bLancaster University Management School, UK, j.burgoyne@lancaster.ac.uk

^cLiverpool Hope University, UK, weird@hope.ac.uk

Abstract

“Learning organization” is one of the famous organizational theories and approaches to organizational development and empirical researches have been done on its implementation and application in various sectors and cultural settings. This paper explores the concept of learning organization from an Islamic perspective following an interest in applying the concept in all types of organization. A case study method is used involving two established Islamic organizations in Malaysia. The main source of data is obtained from semi structured interviews which is based on four understanding of learning organization proposed by Ortenblad (2002). The finding shows that there are elements in Islamic management principles practiced in organizations under study that are in congruent with the concept of learning organizations.

Introduction

‘Learning organization’ is one of the inspiring concepts in management and widely talked about since the early 90s. It is claimed to be able to promote continuous improvement and make organizations more competitive, flexible and responsive. One of the champions of learning organization is Peter Senge who writes the most celebrated book in the field, *The Fifth Discipline*. His definition of learning organization is “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”. Since then, many works are being done that contribute significantly to the development of the idea such as from Pedler et.al (1991), Garvin (1993) and Watkins and Marsick (1993). Although there are some criticisms of the concept, the idea of implementing and adopting it in any organizations regardless its type is always justifiable. Worth mentioning also that although the term ‘learning organization’ is always associated with ‘organizational learning’, this paper is mainly focusing on the former.

The idea to study the learning organization in Islamic organization is appealing because organizations are not free from being influenced by their surrounding environments. Recently, the growth of Islamic organizations become more significant especially those which deliberately show their Islamic profile and publicly display the Islamic identity in their organizational profiles. However, not many studies have been conducted on the characteristics and features of Islamic organization. There is even a claim that Islamic

management is an unexplored research area (Kazmi, 2003). This research is considered timely since the area has not been established yet. Islam requires its believers to practice the religion in every facet of life therefore the management aspect should also be included.

The objectives of this study are to identify the management practise in Islamic organizations particularly related to learning organization principles, to discover organizational policies and strategies that can be interpreted as similar to the learning organization initiatives as well as areas where the two might contradict. The study is hoped to contribute empirical data to contemporary research and add to the body of knowledge in both of the fields that is the field of Islamic management and learning organization.

Discussion

The interest to examine the concept of learning organizations in different contexts has increased in recent years. Studies on the adoption of learning organization theory in different nations and cultural settings as well as in different sectors are growing. In Malaysia, the concept of learning organization is one of the familiar concepts and implemented in many organizations. However, within Islamic organizations it is relatively unexplored idea. There are many examples that the government of Malaysia is very keen in promoting Islamic values in organization and administration. The Department of Standards Malaysia which is an agency under the Science, Technology and Innovation Ministry has developed the MS 1900:2005 Certificate – the Quality Management Systems from Islamic Perspectives. It was developed based on the ISO 9001:2000 Quality Management System standard with additional requirements on *Shariah* compliance. Such standard is the first in the world to integrate *Shariah* requirements with the requirements for quality management.

The studies of Islamic perspectives in management studies are an emerging field of enquiry in academia (Kazmi, 2005). The traditional assumption that there are barriers between work and faith is now reconsidered (Mitroff and Denton, 1999). There are studies on integrating and accommodating religion in the workplace such as in Cash and Gray (2000) and Koys (2001). Weir (2001) also notes that it could be the time to shift our attention to the ‘fourth paradigm’ which he refers to the Arab management which understandably related to Islamic management. It is important to note also that Islamic management is “the discipline that deals with the management of organizations from the perspective of the knowledge acquired from the revealed and other Islamic sources of wisdom, and results in applications compatible with Islamic beliefs and practices”. This is the definition by Kazmi (2005). For the features of Islamic organization, there is no straight and consensus definition to the term Islamic organization. There is only one Arabic article found which is written by al-Mizjaji (1991) that list out eleven (11) features of an Islamic organization. There are studies on learning organization in some Islamic countries such as in Jordan by Khadra and Rawabdeh (2006) and in Lebanese by Jamali and Sidani (2008) but they do not examine or mention anything about Islam. One important reference in the scope of Islam and learning organization is from recent publication by Ahmad (2010) which makes a commentary of the Senge’s fifth discipline from Islamic perspective.

This paper seeks to discover how the management practice in Islamic organization is compatible and competitive with the learning organization concept. The rationale to look at Malaysian context is because it is one of the most progressive Islamic countries and significant economic growth (Kuppusamy and Shanmugam, 2007). Two Islamic organizations have been chosen as case studies. Both are established and well known Islamic

organizations in Malaysia. The first is an organization that focuses on Muslim savings, investment and pilgrimage affairs which will be referred as ‘Victorious’ and another one is an Islamic tertiary educational institution which will be referred as ‘Radiant’.

Procedures for data collection

In this paper, the concept of learning organization is examined specifically to answer the question of how certain characteristics of learning organization are practiced (either deliberately or not) among the Islamic organizations under study. The case study method is chosen because the aim is “to investigate the contemporary phenomenon and within its real-life context” (Yin, 2009). A case study approach is deemed suitable because this study is exploratory research which means very few or no earlier studies to which reference can be made on the issue exist (Collis and Hussey, 2003).

Both organizations under study have the term ‘Islam’ in their names and publicly state their Islamic philosophy and core values in their governance principles. 8 respondents from middle management level in both organizations were interviewed. All of them have been working in the organization for more than 7 years and that made the interviews more meaningful with more stories and accounts from them that were useful in this research. Although the number is quite small, the information gathered were almost similar, and in this case sufficient to serve the purpose of the interviews.

The semi structured interviews is used for data collection. The questions asked were based on four understanding of learning organization proposed by Ortenblad (2002) which are learning climate, organizational learning, learning at work and learning structure. Organizational learning refers to old organizational learning which concerns with organizational memory and storage of knowledge, learning at work refers to individual learns at the workplace, learning climate refers to organization facilitates learning of its employees and learning structure refers to the flexible entity of the learning organization. This typology covers all general understandings of learning organization instead of sticking to certain characteristics by specific author. The respondents were neither asked about their understanding of the learning organization term nor characteristics of learning organizations that they have. The questions simply requested them to elaborate on their daily activities related to learning aspects guided by the four understandings of learning organizations. Figure 1 shows the sample of the interview question.

Learning organization typology	Sample questions
Organizational learning	<ul style="list-style-type: none"> • Please describe how the organization store information/knowledge from individual to be used by the whole organization? Example? • How serious is the organization put an effort in ensuring knowledge sharing in the organization?
Learning at work	<ul style="list-style-type: none"> • Tell me how you learn from your routine work and how it helps you to do your job better? Please give me example.
Learning climate	<ul style="list-style-type: none"> • How is learning activities facilitated and encouraged in the organization, can you give example? • What might an ideal learning climate for Islamic organization look like and does your organization show it in any way? Examples?
Learning structure	<ul style="list-style-type: none"> • How flexible is this organization in facing changes? • Can you recall any experience where the organization quickly changes to suit the environment/market demand?

Others	<ul style="list-style-type: none"> • How far learning in this organization is associated with Islamic teaching. Can you give example? • How does your religious belief and practice effect your work and the work of others? Can you tell me a story about how your religion affects your work and the work of the others?
--------	--

Figure 1: Sample interview questions

The interviews were recorded and then transcribed before conducting another interview in order to give more room for reflection in this study. The transcription is verbatim where every utterance is captured and recorded. With this method, the conversations were studied and re-evaluated so as questions can be modified to get better and more meaningful answers in the next interview session. In order to generate meaning pattern and underlying themes, there are certain steps that need to be taken. Although there is no right way to code textual data (Roberts, 2004), Tesch's (1990) proposed that major themes are listed as main topics through descriptive wording. It is then reorganized by drawing connections between topics. A preliminary analysis is further scrutinized until broad themes become final. The sample of how it was done is shown in figure 2.

Respondent 1	Respondent 2	Respondent 3	Respondent 4
<ul style="list-style-type: none"> - Training – budget for staff training - Training calendar - Scholarship - Professional courses - Joint venture with university 	<ul style="list-style-type: none"> - Training - Share knowledge - Transfer individual knowledge - Peer to peer 	<ul style="list-style-type: none"> - All learning initiatives is through training 	<ul style="list-style-type: none"> - Training Needs Analysis - Training Needs Identification
<ul style="list-style-type: none"> - Information Technology - Encourage use of email 	<ul style="list-style-type: none"> - Use portal to disseminate info 	<ul style="list-style-type: none"> - New information through email 	<ul style="list-style-type: none"> - k-portal - email
	<ul style="list-style-type: none"> - Core values - Work ethics value - Islamic quality policy - Prophet is the best example / model 	<ul style="list-style-type: none"> - Learning/ all activities based on Islamic values - Organization's ethical values 	<ul style="list-style-type: none"> - Values make you better person - Islamic values, Islamic identity - Islam got all management principles

Figure 2: Examples of keywords extracted from the interview conversation.

The axial coding (Strauss & Corbin, 1998) also known as analytical coding was used for the analysis. After initial coding, the analysis became selective and more directed. The categories were grouped and then compared across interviewees. Finally each category was elaborated and expanded in order to find boundary cases, deviant cases and typical cases.

Results

It is found that both Islamic organizations under study are having many characteristics similar to the learning organization characteristics though they do not claim to be one. With regard to the overall organizational purpose, both organizations were having a well developed vision, mission, objectives, philosophy and work ethics. There are 11 features emerged after the data was analyzed that are; a) Learning by training, b) Information technology, c) Role of

vision, d) Islamic values and spiritual development, e) Pursuing higher educational levels, f) Learning through feedback and self evaluation (*muhasabah*), g) Relationship of Islam and learning, h) Knowledge sharing, i) Adaptation to change j) Leadership, and k) Organizational work ethics, and integrity. In the following, each theme are explained and where possible, its connection with the learning organization concept are also shown.

Most interview respondents indicated that organized trainings are the most common ways of learning by individuals in the organization. Although learning organization is not about more training, it does help in promoting new knowledge, new skills and sharing of information which eventually lead to desirable learning environment. Most respondents from both organizations relate examples of trainings, attending courses, further studies and so on.

The importance of Information technology in this era is undeniable. Both organizations have an up-to-date online computer system that facilitates communications among their staffs such as websites, blogs, portals and facebook are used for knowledge sharing and informal interest group discussion. Learning organization is closely related with advancement in communication and information technology. The development of ICT (Information and Communication Technology) change the way people and organizations collaborate and it bring new skill and competency requirement (Toikka, 2007)

To achieve the desired future, an organization must have a clear direction and a common vision for everybody. The clarity of the purpose of organization will lead to a true 'learning organization'. The vision and mission of these two organizations are clearly demonstrated especially in its official publications. Having a vision in place and well communicated to all staffs is another necessity in a learning organization which is also found in these two organizations. At Victorious for example, the vision and mission is clearly articulated and there are sessions where the management talk about organizational vision and issues related to it. One respondent said:

VR4: "There are staff assemblies where the CEO will address a bigger audience. He will talk about current updates about the organization, our mission and vision, our strategy, business plan.. those are the things discussed in that forum".

As Islamic organizations, the Islamic element, values and spiritual development is highly stressed. Both organizations develop a proper documentation on work ethics and values and distributed to every staffs. Spiritual developments are always emphasized by conducting many spiritual development programs and activities. In a learning organization environment, individual potential such as creativity and capacity for innovation is to be tapped. The learning organization model has been espoused as the type of organization in which the human spirit may be unleashed (Porth and McCall, 1999). Spiritual part is very important in learning organization especially in Senge's version of learning organization.

Pursuing higher educational levels was stressed in both organizations. Learning culture is considered one of the characteristics of learning organization. A learning organization is an organization that encourages personal development. There are evidences of support and encouragements from top management for staff at all levels to further their formal studies and learn regularly. The Victorious for example allocated certain budget to sponsor its staff to further their studies.

VR1: "We are very open on learning – it is in our policy that we provide scholarship for staff to further their studies. We have budget, that is for career development. Our organization encourages all staff to learn such as English courses after office hour.

We select the staffs that we think need the course, we call the lecturer. After office hours, they go to study.”

Learning through feedback and self-evaluation is considered very important in both organizations. Self evaluation is part and parcel of learning organization and the term used in Islamic organization is *muhasabah* (self-evaluation), which also covers self criticism and appraisal. It also closely related to one’s realisation of his purpose. Learning from mistakes is often more powerful than learning from success. An example from the Radiant:

RR1: “In our meeting, we discuss about our mistakes. For example, last year we participated in one of the national award, being shortlisted, visited by judges, we didn’t win but we got the report. From that report, we know our mistakes that we need to improve. Then we called a meeting among top management, we present to our quality council, these are areas that need further improvement...”

Learning from experience should be one of the important agenda in every organization. Self evaluation is definitely contributed to learning. Plowright (2007) for example developed an integrative model that brings ideas about school self evaluation and the concept of learning organization. Apart from that, learning from feedback is also a common topic in the concept of learning organization.

Islam and learning and knowledge sharing in Islam need no further explanation since it has enormous literatures referring to that subject. In Islamic teaching, all Muslims, men and women are required to learn and seek knowledge. Learning comes in many forms and not necessarily from formal education. The findings show that almost all respondents gave expected answers and relate their understanding about the importance of learning at all times including in the organization and that learning is highly demanded in Islam.

Knowledge sharing is defined by Christensen (2007) as the process intended at exploiting existing knowledge, being about identifying existing and accessible knowledge in order to transfer and apply this knowledge to solve specific task better, faster and cheaper than they would otherwise have been solved. In Victorious and Radiant, respondents have examples on how the organization practices knowledge sharing. One respondent from Victorious recalled her experience:

VR3: “Like myself, I went to a leadership program, it’s a must for each officer who went to seminar, when they come back, they must present. Normally after 2 days, they will present to their subordinates. That is the process of learning. Everybody share the knowledge. That is time when they want to brainstorm or whatever.”

The issue of adaptation to change in Islamic organization has received mix responses. It might due to understanding and also because it is different in context. There were examples of evidence from each respondent. Therefore, in general, it can be said that change can be accepted depending on situation and event.

Leadership is an important subject in learning organization. Most problems faced by organizations are due to lack of leadership (Senge, 1990). Demings (2000) also states that the job of management is not supervision but leadership. In Islam, leadership is a trust. Leadership subject is highly discussed especially in Islamic organization. Leadership element in Islamic organization is also an important aspect as well as other organization. The difference mentioned here is on spiritual characteristic of the leader. A respondent from the Radiant commented that leadership in Islam must also come with the spiritual element:

RR3: "In an Islamic organization, there must be a spiritual element. Spiritual leader must be there. A leader must have a spiritual element, his commitment to religion itself, his prayer and so on."

The work ethics and integrity plays major role in Islamic organization and they made it compulsory for staffs to attend such programme. The work ethics which include values, ways of thinking, spirit and culture of an organization is commonly found in Islamic organizations. These two organizations have a well developed and comprehensive work ethics. It is documented and distributed to all workers in the organization. While talking about work ethics, integrity also comes into the picture. In the learning organization environment, work ethics which promote reflection, participation and knowledge sharing will surely support learning in the whole organization because it involve attitude, spirit and behaviour of people (Moraga, 2006).

Although these two organizations do not claim as a learning organization, they have certain similar characteristics which are in parallel with the learning organization idea. The differences are that those characteristics were mainly based on Islamic principles and guidelines. In all their learning initiatives, they try to support it with religious references. All respondents were fully aware and recounted that their works are both for worldly affairs as well as for their investment in the hereafter. They believe that for every action and behaviour in their organization, they are accountable before the Creator.

Conclusion

The study suggests that Islamic organizations have certain characteristics comparable to the learning organization as well as can be a fertile ground for learning organization processes. The data demonstrates for the first time that these processes are applied in operation, not just the principles. This study is hoped to be the starting point and as a warm up study to encourage more research in this area. Admittedly, more data are needed for more significant findings and contributions in the subject. Further research could also look more at contradictions clashes and misfits as well.

International and managerial implications

This study is imperative since it combine two growing area of research interest namely the learning organization and Islamic organization. The finding would be of interest to people as well as organizations especially those who consider joint-ventures, multinational trade and dealings or any kind of network with Islamic business organizations. It also offers new dimension to learning organization which is from religious perspective.

References

1. Ortenblad, A. (2002). A typology of the idea of learning organization. *Management Learning*, 33(2), 213-230.
2. Pedler, M., Boydell, T., & Burgoyne, J. (1991). *Learning company: a strategy for sustainable development*. London: McGraw Hill.
3. Garvin, D. A. (1993). Building a learning organization. *Harvard Business Review*, 71(4), 78-91.
4. Watkins, K. E., & Marsick, V. J. (1993). *Sculpting the learning organization : lessons in the art and science of systemic change*. San Francisco: Jossey-Bass.

5. Kazmi, A. (2003). A proposed research agenda in Islamic perspectives to management studies. *IJUM Journal of Economics and Management* 11(2), 197-227.
6. Kazmi, A. (2005). Probable differences among the paradigms governing conventional and Islamic approaches to management. *International Journal of Management Concepts and Philosophy*, 1(4), 263-289.
7. Mitroff, I. I., & Denton, E. A. (1999). A study of spirituality in the workplace. *Sloan Management Review*, 40(4), 83-92.
8. Cash, K. C., & Gray, G. R. (2000). A framework for accommodating religion and spirituality in the workplace. *Academy of Management Executive*, 14(3), 124-134.
9. Koys, D. J. (2001). Integrating religious principles and human resource management activities. *Teaching Business Ethics*, 5(2), 121-139.
10. Weir, D. (2001). *Management in the Arab world: a forth paradigm*. Paper presented at the EURAM Conference.
11. al-Mizjaji, A. D. (1991). The Islamic Organization: Its Concept and Characteristics. *Journal of King Saud University. Administrative Sciences.*, 3(1).
12. Khadra, M. F. A., & Rawabdeh, I. A. (2006). Assessment of development of the learning organization concept in Jordanian industrial companies. *The Learning Organization*, 13(5).
13. Jamali, D., & Sidani, Y. (2008). Learning organizations: diagnosis and measurement in a developing country context. *The Learning Organization*, 15(1).
14. Ahmad, A. (2010). Commentary of Senge's Fifth Discipline from Islamic perspective. *International Journal of Learning and Change*, 4(1), 7-20.
15. Kuppusamy, M., & Shanmugam, B. (2007). Islamic countries economic growth and ICT development: The Malaysian case. *Journal of Economic Cooperation*, 28(1), 99-114.
16. Yin, R. K. (2009). *Case study research: design and methods* (Fourth edition ed. Vol. 5). London: Sage Publication.
17. Collis, J., & Hussey, R. (2003). *Business research: a practical guide for undergraduate and postgraduate students* (Second edition ed.). London: Palgrave Macmillan.
18. Roberts, C. M. (2004). *The dissertation journey: a practical and comprehensive guide to planning, writing, and defending your dissertation*. California: Corwin Press.
19. Tesch, R. (1990). *Qualitative research: analysis types and software tools*. London: Routledge.
20. Strauss, A., & Corbin, J. (1998). *Basics of qualitative research techniques and procedures for developing grounded theory* (2nd ed. ed.). London: Sage Publication.
21. Toikka, S. (2007). ICT supported interorganizational knowledge creation: application of change laboratory. In G. Goos, J. Hartmanis & J. v. Leeuwen (Eds.), *Lecture notes in computer science*. Germany: Springer Verlag.
22. Porth, S. J., & McCall, J. (1999). Spiritual themes of the learning organization. *Journal of Organizational Change*, 12 (3), 211-220.
23. Plowright, D. (2007). Self-evaluation and Ofsted Inspection. *Educational management administraion & leadership*, 35(3), 373-393.
24. Christensen, P. H. (2007). Knowledge sharing: moving away from the obsession with best practices. *Journal of knowledge management*, 11(1), 36-47.
25. Senge, P. M. (1990). *The fifth discipline: the art and practice of the learning organization*. New York: Currency Doubleday.
26. Deming, W. E. (2000). *Out of the crisis*. Massachusetts: MIT Press.

27. Moraga, E. (2006). Cultural learning organization: a model. Retrieved 1 Feb 10, from http://www.culturallearningorganizations.net/index_files/The%20ethics%20of%20LO.pdf

Acknowledgement

Our heartiest thanks to all respondents in the organizations under study and all persons involved, without them this work is not possible.