An Exploratory Study of Organizational Learning Culture and Its Impact on Employee Performance: Case Study of a Private Bank in Singapore

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Abstract:
With the exponential growth of data and technological advancement, knowledge is easily available and the ability to learn and adapt has become the new norm and aspiration in most organizations today. Hence, the emphasis of an organization should be on building a culture that is forward looking. The challenges ahead signal the need for organizations to reposition learning as a key management agenda to stay competitive and sustainable for the long haul. Drawing on the past studies related to learning organization and organization learning theories and its applications, this research provides refreshed insights on the nature and influence of four cultural variables, employee engagement; leadership role-modeling; knowledge sharing; and performance management in an organizational learning culture, each climatizing the learning environment and cultivating employees’ positive behaviors within a private bank setting. Thus, having a structured learning mechanism and a supportive learning climate in which individuals and teams learn formally or informally are fundamental towards building a learning culture. Adopting the learning organization concept, the study proposed an integrated framework that shows the influencing factors, such as employee engagement, leadership, performance management, innovativeness and creativity that could impact employees’ behaviors, leading to organizational performance. The results of this study indicate employees’ behaviors are positively influenced by organizational culture. In evaluating the relevance of these relationships and variables, the reskilling and retraining of current workforce is a key priority on management agenda. The consideration for effective workplace learning and adaptive learning behaviors are necessary in a time crunch and rapidly changing environment as formal learning demands more time, effort and resources. Nevertheless, the balancing act between formal and informal learning interventions remain as challenging tasks in most organizations.

Keywords: Performance, learning, impact, culture, employee, organisation

1. Introduction

With the exponential growth of data and technological advancement, knowledge is easily available and the ability for employees to learn and adapt had become the new normal and aspirations in most organizations today. During the 20th CEO survey in 2017 by PWC (www.ceosurvey.pwc), 1,379 CEOs were interviewed across 79 countries. 77% of CEOs cited the biggest business threat among its employees was the availability of key skills, ahead of the pace of technological change and evolving customer behavior. The findings concluded that building an effective learning culture to support its employees’ ability and willingness to learn new skills is key management agenda in preparation for the technological revolution.

Apart from adapting the new norm, financial services industry in Singapore is expected to tighten its governance and risk control frameworks to address the increasing cases of misconduct. Regulators have singled out culture and conduct as 2 root causes in most cases. Business leaders and management are now expected to establish an organizational culture to align its values, expectations and aspirations for a consistent employee behavior throughout the organization. The challenges ahead signal an urgent need for organizations to adopt and develop organizational learning as a strategic management agenda to stay competitive and sustainable in countering technological disruption and building a purposeful organizational culture. The primary focus of the research is to conduct an exploratory study on the conceptual framework of learning organization (LO) and organizational learning (OL) culture and its impact on employee performance in the case of a private bank setting. Therefore, this study will address the research question: “Does a learning organization and its organizational learning culture positively impact employee behaviors in attaining organizational performance?”. In addition, the research objectives include:
To understand the relevance of LO concept and OL culture on employee behaviors.
To identify the variables that affect OL culture which could impact performance.
To examine the correlation between these variables and OL.
To propose a strategic framework and managerial actions towards a successful LO transition.

The concepts of learning organization (LO) and organizational learning (OL) have always been recognized as critical keys to unlock an organization’s potential to gain a sustainable competitive advantage in a challenging environment (Guinot et al., 2016) and a benchmarking of its learning capability for renewal and managing change (Goh, 2008; Goh and Richards, 1997; Flores et al., 2012). Numerous researches attempt to identify the variables that could significantly impact the conceptual LO framework and in developing an OL culture. These variables include employee behaviors and attitudes, leadership, knowledge transfer, performance management (Hoe and McShane, 2010; Argote and Miron-Spektor, 2011; Park and Kim, 2018; Caniels and Baaten, 2018). While these studies provide empirical evidences on the correlation of the variables to the conceptual framework, most are theoretical in nature and did not provide practical guidance to support organizations in developing an OL culture.

Evidently, the past divergent advice either focus on a descriptive or prescriptive approach which merely answered the ‘what’ and ‘how’ of learning impacting individuals, teams and organization. Limited empirical research on a systematic and solid study on ‘why’ certain cultural attributes which are crucial in facilitating the learning process that influence employees’ positive behaviors and performance. Therefore, the aim of the study is to build upon the past research and explore how this LO concept and OL culture can be embedded and effectively impact the learning culture. The findings will help to recommend an actionable and practical strategy to answer the above research gaps.

1.1. Context of Case Study on the Private Bank

Singapore is one of major financial hubs globally and a leading international wealth management center in Asia. It is an established private banking center serving an exclusive pool of high net worth individuals (HNWIs) and wealth in divest nationality across the globe. Switzerland is the global leader in managing offshore wealth, but Singapore with its outstanding infrastructure and modern regulatory environment, stable and sound economy, and supported by an efficient and business-oriented government, has always been recognized as the ‘Zurich of Asia’ (Collardi, 2012). The PB business in Singapore is intensely competitive. According to a recent Asian Private Banker report, the top 20 private banks manage a combined assets under management (AUM) of USD 2.01 trillion (excluding China onshore), with top 5 banks (UBS Wealth Management, Citi Private Bank, Credit Suisse Private Bank, HSBC Private Bank and Julius Baer) contributing half of the total AUM in 2017 (www.Asian Private Banker, 2018). Despite 8 foreign private banks exiting Singapore last 2 years at a time of Asia’s explosive growth in wealth, the PB business continues to grow steadily and a joint survey by PwC and UBS last month reported that, in Asia last year, a new billionaire was minted every 3 days. Though wealth management business is booming in Asia-Pacific region especially in Singapore, PBs are experiencing mounting challenges on a rapidly evolving regulatory requirement locally and internationally, demanding HNWI’s expectation, lagging in digital transformation and overhauling of an outdated PB model in a competitive environment (www.ey.com, Rethinking Private Banking in Asia-Pacific, 2014).

Another emerging trend is the ongoing consolidation of PB in the regions due to thin margins and digital transformation. According to EY studies (2014), private banking in Asia Pacific is becoming a volume business, that is, the smaller banks must merge to scale up and survive and the bigger ones are acquiring peers’ competitors to gain bigger market shares. These growing phenomenon in PB industry are impacting the organizational culture since it is argued that organizations are unique and possess their own distinct ‘personality’ or climate (Cunliffe, 2008). Collardi (2012) offers a competitive advantage strategy amid the culture integration, that is, to develop a culture of service excellence which consists of 4 key elements, employees, culture, tools and processes. Collardi (2012, pp. 174) pointed out culture as a ‘indefinable, intangible glue that holds together a group of people’ and determines employee behavioral patterns and attitude at any time through their interaction with one another. Inevitably, the impact of an organizational culture in many aspects is like any change management. The success of change relies on persuading individuals to change their mindsets, to think differently about their jobs and how they work. This first involves changing behavior (Lawson and Price, 2010)“.

As such, this study helps to broaden the understanding of employees’ behaviors and organizational culture in attaining performance and successes.

1.2. Research Gaps Analysis

In evaluating the impact of LO on organizational performance, Lopez et al. (2005) suggest innovation and competitiveness as determining factors in business performance. Their quantitative approach and empirical results supported the hypotheses of a positive relationship between OL and both innovation and competitiveness, and economic/financial results of 195 Spanish firms from the industrial and service sectors. Similar study by Zhou et al. (2015) on 287 Chinese listed companies showed the same positive relationship of OL and higher firm performance hypothesis. In contrast, Pokharel and Choi (2013) in their study on public service sector, relate non-financial factors such as high penetration rate (financial participation) and employee commitment as measurement of performance indicators. Some studies associate financial results as a key driver for organizational performance and conclude with inadequate empirical testing and validity of correlations between OL and firm performance (Goh et al., 1998; Zhou et al., 2015). As such, the inclusion of other performance indicators on employees’ behaviors, emotions, competency and other non-financial factors may possibly produce different results. In general, two common independent variables are favored by the researchers – an
organization’s innovation attributes and its financial performance (Zhou et al., 2015; Park et al., 2013; Lopez et al., 2006; Weldy and Gillis, 2010).

Findings which are Asian-centric tend to agree and support the hypotheses derived from the existing conceptual theories (Park et al., 2013; Zhou et al., 2014; Song et al., 2015). Most systematic analysis studies on performance reveal their findings based on a mix of companies across industries (Kropp et al., 2006; Lopez et al., 2006; Weldy and Gillis, 2010; Park et al., 2013; Song et al., 2014; Zhou et al., 2015) but limited studies were conducted in the financial services sector (Hetznner et al., 2009). This phenomenon could be due to the confidentiality and non-disclosure from the respondents in the financial sector. The theoretical framework on either a prescriptive LO or analytical OL is to be considered as a starting point for an organization to evaluate its transition. Various LO models and dimensions are defined by activities, disciplines, processes and structure revolve around creating a learning environment for individuals and teams to create sustainable performance. Though the findings remained inconclusive due to the multi-dimensional nature of learning processes, LO models help organizations to chart its course.

2. Literature review

2.1. Conceptual review of LO and OL

Past decades, the concepts of learning organization (LO) and organizational learning (OL) have gained huge interest and numerous theories have developed to address this emerging topic. Goh (1997) suggests that both learning theories are either categorized under a conceptual approach which justify the importance of OL process to enhance organizational growth or an applied approach suggesting an ideal structure of a LO for managerial actions. Despite several literatures on describing LO implementation process, most argued that the LO concepts remain complicated and ambiguous (Grivsven and Visser, 2011) and some theorists even admitted a lack of a systematic, measurable and practical application to support the LO transition (Gavin, 1993; Goh, 1997). Others attempt to address these practical concerns by identifying organizational factors that benchmark an organizations’ learning capability. Evidences reveal a divergence on the conceptual approach of LO and OL in terms of a theoretical framework versus learning process (Grivsven and Visser, 2011). Neither the literatures on the prescriptive approach to becoming LO nor the descriptive factors to developing OL could address the practical concerns for organizations seeking to achieve the desirable learning capability and sustain strategic growth.

Several studies also claim that the universal concept of LO and OL is applicable to any organizations but the ‘one size fits all’ theory requires a calibration on its definition and application (Ortenblad, 2015). Ortenblad (2015) supports the argument that each organization is unique and should create its own LO (Watkins and Marsick, 1993). Besides the theoretical aspect, another critical consideration is the employees’ learning behavior which is a key driver directly impacting the learning culture of an organization, leading to improved performance (Lopez et al., 2005; Kropp et al., 2006; Weldy and Gillis, 2010; Park et al., 2013, 2014; Song et al., 2014; Zhou et al., 2015). Other literatures relate OL activities and other key factors on team synergy, empowerment, culture, innovation as key performance enablers (Lopez et al., 2005) to drive organizational performance. However, the empirical evidences and findings on these correlated factors that could impact employees’ positive behavior or competency are theories linked to human behavioral and psychological aspects under managing organizational change.

2.1.1 Relevance Of LO Models and Concepts

For decades, numerous studies emerged around learning as a management strategy to deal with the ever-changing economic environment to ensure organizations stay competitive and thrive. Intellectual capitals or employee knowledge is considered as the basis of competitive advantage in most organizations today. LO with smarter and faster learning employees than its competitors are considered as one of the differentiating competitive advantages in attaining organizational performance in an evolving market (De Geus, 1988; Baker and Sinkula, 1999). Senge (1990, pp.3) provides one of the widely accepted definition of a LO: “Organization 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 to learn together.” Researchers supported this key aspect of continuous learning culture which takes place at all levels, individual, and team within LO driving and enhancing performance (Marquardt, 2011). LO creates and facilitates an environment for individual learners and ensures the transfer of knowledge stays within the organization (Ortenblad, 2001).

A successful LO transition is considered as a critical competence and strategy for improving organizational performance (Kline and Saunders, 1993; Weldy & Gillis, 2010). Thus, the cultivation of a robust LO culture supports and drives an organization’s performance and studies also show positive co-relation between LO and financial performance (Ellinger et al., 2007; Song et al., 2014). The definition of a LO and its cultural components on shared values and beliefs, roles and behaviors are important considerations. Most studies evaluate LO culture with quantitative approach using dimensions of the learning organization questionnaire (DLOQ) and they concluded that LO culture is a key performance driver and a critical component in enhancing individual, team and organizational performance (Song et al., 2014). However, the relevance of LO concept and its practicality in generalizing organizational context remains debatable today. Ortenblad (2015) highlights the challenges in implementing a generic LO model and suggests that certain organizations such as the public service sector is unable to transit into a LO due to generalized organizational contexts. Other considerations include impact of cultural differences in countries, and the size of organizations.

2.1.2 OL Processes and Perspectives
Besides LO concept, several literatures suggest another strategic perspective on organizational learning (OL) which identifies processes and activities that define the characteristics of an LO (Tsang, 1997). Others suggest the analysis of OL which focuses on identified variables create more impact to the learning capability of an organization (Gomez et al., 2005; Alegre and Chiva, 2008, 2009). OL is defined as “a long-term activity that will build competitive advantage over time and requires sustained management attention and commitment” (Goh, 1998, pg.15). Adoption of OL has become increasingly associated with organizations undergoing changes and improvement (Huber, 1991; Argyris and Schon, 1996). Recent literatures propose a consideration of triple loop learning, a higher level of learning that “questions existing products, processes and systems by strategically asking where the organization should stand in the future marketplace, rather than merely single and double-loop learning (Wang and Ahmed, 2003, pp. 13)”.

The process of OL has also been identified as a strategic-renewal strategy in an organization (Tsang, 1997; Crossan et al., 1999). Most literatures on OL concepts suggest a variety of antecedents that support improved performance relating to organizational structure, decision making (Chiva and Alegre, 2009), transfer of knowledge, leadership and empowerment (Visser, 2010), and knowledge management. However, according to Grivosven and Visser (2011, pp.379), “OL is a concept with conflicting dimensions on which these antecedents may have contradictory effects”. As such, the study attempts to reflect on these learning dimensions and identify the contradictory effects it has in building a learning culture.

2.2. Emerging Trend of Workplace Learning

Another emerging trend on workplace learning versus formal learning has gained increasing attention due to an ever-changing learning environment across industries. The workplace changes have impacted employees’ acquired competencies and knowledge, needing redressing to meet organizational growth and sustainability (Billet and Choy, 2013). Management is constantly searching for effective learning strategies and intervention to support its employees in adapting the current constant challenging environment. Several studies suggest strategies to organizations in supporting its employees to acquire competencies and new knowledge to adapt and respond to a fast pace environment (Fenwick, 2001; Billet, 2008a).

In general, workplace learning theory offers 2 main perspectives on implementing OL processes. First, change enable individuals to learn new skills and knowledge, that is, external factors create an urgency for individuals to learn faster (Hetzner et al., 2009). Second, change has a positive impact on individuals’ learning behaviors and orientation and provides contextual insights on individuals’ attributes on personal resilience, readiness and openness in a changing environment (Flores et al., 2012; Caniels et al., 2018). These are focus areas under another research topic on ‘organizational unlearning’ which will not be covered in this paper. However, the context of workplace learning is critical and highly relevant in current financial services industry mainly because of the fast paced and regulatory tightening environment. In addition, demanding job efficiency and better time management of learning activities are expected of employees who must cope with additional workload resulted from multiple changes in the workplace. This is a constant challenge for organizations to foster their learning and development effectively.

Undeniably, employees’ perception on the meaning of experience, role-competence and the impact of workplace learning are important considerations in this study. This paper attempts to understand the supportive and inhibitive learning factors and its influences on employees’ learning behaviors which lead to the development of an effective LO or OL culture.

2.3. Learning Models and Dimensions

Both LO and OL conceptual theories have been used interchangeably and are interconnected through learning models and dimensions for its application. Most studies attempt to identify the co-relations between different dimensions of a LO and propose learning models for its transition. Others advocate building disciplines around activities on problem solving; learning from successes and failures; effective knowledge transfer; shared visions and leadership; culture of experimentation and team learning (Senge, 1990; Gavin, 1993; Goh, 1998). Senge (1990) suggests a LO develops its learning capability through five disciplines, system thinking; personal mastery; mental models; building shared vision and team learning. Sinkula et al. (1997) recommends the operationalization of the learning orientation in 3 main categories, commitment to learning; shared vision and purpose; and open mindedness. Gavin (1993) suggests that LO is measured by 5 main activities, problem solving skills; new experimentation; lessons learnt from successes and failures; best practice sharing; and effective knowledge transfer within an organization. Other theorists focus on practical steps in transiting into a successful LO and emphasize on the key activities including systematic problem solving, experimenting, best practice sharing, effective transfer of knowledge (Goh 1997, 1998; Garvin, 1998).

2.3.1. Application of LO Models

Goh (1998) suggests a managerial perspective and a diagnostic tool, using interviews and focus group to benchmark an LO learning capability with an archetype of a LO focusing on 5 core-strategic building blocks and 2 foundational blocks. (Refer to Figure 1: Strategic and Foundational Building Blocks of a Learning Organization, Goh, 1997).
These 5 building blocks include clarity and support for organization’s mission and vision, shared leadership and empowerment, an experimentation culture, mechanism on transfer of knowledge, and teamwork and cooperation. The other 2 foundational blocks, organizational design that support learning and effective knowledge acquisition of employees are essential elements to a successful LO. Clearly, most learning models and frameworks in twentieth century primarily define and identify the dimensions of an ideal LO which remain theoretical in nature. But their studies provide references for organizations to consider in its transition process. However, limited empirical studies show little impact of successful LO transition and improved performance. In the twenty-first century, researchers continue to expand their focus on measuring and strengthening the multiple dimensions of an ideal LO model to drive organizational performance, such as OL processes, knowledge transfer, leadership, learning orientation (Lopez et al., 2005; Goh and Ryan, 2008). But the results “remain inconsistent and thus inconclusive” according to Goh, et al. (2012, pg. 272). Adopting a simplistic approach, Ortenblad (2001, 2004) offers a basic LO model consists of 4 aspects, learning at work; organizational learning; climate for learning; and learning structure.
Referring to Figure 2, this integrated basic LO model provides a pragmatic approach for organizations’ transition. First, learning at work refers to its employees learning on-the-job and not relying on formal learning intervention. Second, OL as the process of individual and collective learning and knowledge management. Third, learning climate ensures individual learning is well facilitated within the organization. Finally, learning structure must be flexible and empowering to enable team-based learning to enhance performance. However, this LO model seems to have missed out several key variables on employees engagement, leadership, empowerment, performance management which have deep implications to the development of LO structure and the learning environment were not discussed. Moreover, the concept of workplace learning and OL processes on transfer of knowledge which consists of individual and team learning, improving processes and problem solving, are complex processes and not easily implementable from an organization perspective.

### 2.3.2 Implications on LO Applications

So far, the theories discussed only define what an ideal LO model is like and provide limited context on how the model applies for different organizations across various industry. Ortenblad (2015) commented that multiple definitions and dimensions of LO not only caused confusion and ambiguity, it also leads to generalizing a LO model into certain organizational context. Several theorists regard this universal LO concept as ‘one size fits all’ but others suggest that that each organization is unique in nature and should develop its own kind of LO (Watkins and Marsick, 1993; Marquardt and Reynolds, 1994). Ortenblad (2015) further suggests a multiple, context-adapted models for LO to address numerous argument that only selected aspects of an LO are suitable for certain organizational context. However, this conceptual model is yet to be tested and proven, and remain debatable in its application. This basic LO model will be further evaluated in the research and findings analyzed at later section.

Furthermore, numerous studies on LO concept in the past decades suggest prescriptive and directed approaches to develop LO, the practicality remains debatable and the conceptual clarity should be enhanced (Ortenblad, 2007; Grivsven and Visser, 2011). Also, LO implementation is a complicated process due to a lack of a systematic and measurable approach for this concept to be applicable in organizations (Garvin, 1993). But studies shown that only when organizations operate as a LO then it will foster a sustainable environment and culture to enable employees to learn continuously leading to organizational performance and gain competitive advantage (Gavin, 1993; Marquardt, 1995).

### 2.3.3 Differences between LO and OL

Transition into a LO required several identified variables which predominantly fall under 2 main concerns, system and tools adopted and the facilitation of continuous learning process (Weldy and Gillis, 2010). Weldy (2009, pg. 60) provides a clear and succinct differentiation of OL and LO, “OL is the process of learning and collective learning that take place within an organization whereas LO focuses on the methods and tools to evaluate and improve the quality of learning processes within an organization”. OL mechanism considers 3 main step, information acquisition, information dissemination, shared implementation. Snyder and Cummings (1998) provided an integrated model of OL, where each of the OL processes interconnects and interacts impacting the underlying performance of organizations.

![Figure 3: General Model of Organization Learning (Snyder and Cummings (1998))](image)

Referring to Figure 3 – General Model of OL by Snyder and Cummings (1998, pg. 876), they suggest that “successful learning occurs when organization completes all 4 processes – they discover errors or dissonance between their desired state and their current stage; diagnose the cause of the gap and invent appropriate solutions to alleviate it; produce the solutions through organizational actions and document the results; draw conclusions about the effects of the solutions and generalize the learning to relevant situations”. Next, ‘organization knowledge’ comprises of 3 inter-related components, that is, skills, cognitive, and system which is linked to individuals’ core competencies, their ability to influence organizational performance and finally leads to the ‘organization performance outcome’. The general model sums up the 3 critical processes on knowledge acquisition, retention and transfer which are basic attributes to developing a robust learning culture. These fundamental principles form the general models of OL which include 3 steps approach, information acquisition, dissemination, and shared implementation; Crossan et al. (1999) 4 I’s model, intuiting, integrating, interpreting, and institutionalizing; and Tee and Wang (2005) OL dimensions on system orientation, learning environment and orientation, transfer and sharing of knowledge, and dissemination orientation.

In summary, these OL aspects when implemented successfully within the organization could cultivate a learning culture and create an ideal environment for employees to thrive and grow. Clearly, when individuals’ and teams’ learning take place in an organization, it formed the basis of an OL process which should consists of single, double or triple loops...
learning. These are critical learning processes for organizations to inculcate in all levels to inculcate in all levels to ensure long term success.

2.4. Implications of Cultural Variables

Both theoretical and conceptual perspectives of LO and LO, and its dimensions and models set the backdrop for the study. By obtaining a detailed picture on the relationship between the critical cultural variables and these learning dimensions, and how these variables exert their influences are critical considerations and answers to why learning culture drives employee behaviors, affects individuals’ and teams’ learning, and raises productivity and work efficiency. Empirical studies prove that several key independent variables (e.g. innovation, leadership, culture) and other intrinsic variables such as rewards, satisfaction, commitment and self-determination positively impact employees’ behaviors and enhance team effectiveness (Lopez et al., 2005; Pokharel and Choi, 2013; Zhou et al. 2015). Therefore, the dependency and implications of these cultural variables on the learning environment support the eventual outcome of the research.

2.4.1. Learning Culture and Employee Behaviors

To nurture and influence employees’ behavioral change, most literatures suggest a LO needs a well-defined learning process to enable transfer and sharing of knowledge supported by a robust system and tools (Goh and Ryan, 2008; Weldy, 2009; Zhou et al., 2015). Others suggest that employees with positive emotions such as interest, enthusiasm, and pride encourage and drive explorative behaviors on creativity, flexibility and can lead to work efficiency (Kropp et al., 2006; Park et al., 2014). Apparently, employee behaviors to learn could be driven by either or both intrinsic theory, such as accomplishment, personal growth, part of a team, challenging jobs, appreciation and recognition and extrinsic motivation, that is salary, bonuses, promotion motivation (Deci and Ryan, 1985). Watkins and Marsick (1993, 2003) alluded that an organizational learning culture supports and cultivates a robust environment for its employees to learn and share from daily activities and experiences, knowledge and promote learning. Under a tight regulatory environment, where banks are governed by regimental and compliance procedures may have affected the way employees behave and learn. Thus, having a structured learning mechanism and a supportive learning climate in which individuals and teams learn formally or informally are fundamental towards building a learning culture.

2.4.2. Learning Culture And Performance

Financial results are not the only measurement for performance, other learning behavioral outcomes such as mindset change, enhanced competencies and innovativeness are equally important (Lopez et al., 2006) and innovative behaviors, team and employee engagement, entrepreneurial orientation, and organizational commitment (Kropp et al., 2006; Park et al., 2013; Song et al., 2014). Apparently, behaviors and competencies are closely linked to the intrinsic motivation theory (Deci and Ryan, 1985). According to Park et al. (2013), “Individuals are more motivated by the feeling of competence and satisfaction derived from the task itself rather than external rewards (e.g. money and praise); thus, individuals’ need for self-determination drives goal-directed behaviors and helps them overcome challenges (Deci and Ryan, 1985).”

2.4.3. Learning Culture and Leadership

Leadership that is perceived as empowering employees, promoting individual and team learning, demonstrating commitment to organizational values and goals, and building interpersonal trust, foster a transformational leadership culture in organization (Flores et al., 2012; Park and Kim, 2018). Empirical studies support the concept of transformational leadership in mobilizing and embracing continuous learning to influence OL (Flores et al., 2012). Senge (1990) suggests leadership shapes the learning culture of an organization and is a key determinant in establishing a LO (Janes, 2003). LO such as GE, 3M, Wal-Mart, British Petroleum (BP), Xerox, Shell, Honda, Sony have proven their competitive positions in good or turbulent times as highlighted by Goh (1998). Goh cited these successful and sustainable companies embrace OL activity as one of its long-term core management strategies, supported by management’s commitment, attention and effort. These organizations are unique and possess its own values and missions that define its success. Goh (1997) suggested that leaders are responsible in the implementation of learning interventions in LO. Leaders’ proactiveness in engaging employees through questioning and listening, intensify learning activities on problems solving, transfer of knowledge and experimentation create a learning culture (Zhou et al., 2015).

2.4.4. Learning Culture and Workplace Learning

Organizational culture is defined as “the way we do things around here” (Lundy and Cowling, 1996). It is also regarded as ‘employees’ shared values, beliefs, norms that influence the way they think, feel, and act towards others both inside and outside the organization. A learning culture is described as a community of ‘growth-minded’ learners engaging and empowering each other to learn and share their knowledge and support the organization to excel in what they do. In other words, organizational culture is like an incubator of values, beliefs, and understanding that employees share, it affects the ways employees think, feel and act, and overtime it impacts employees’ behaviors and enables the organization to grow in a right direction. Thus, understanding why, what and how of these learning culture can be nurtured and developed are critical considerations for management in strategizing learning goals.
3. Research Methodology

Past studies on LO and OL attempt to link the relationships between independent variables and propose that one or more variables have measurable impact to organizational performance as their underlying proposition. However, these studies seem to exclude how variables can support the everchanging organizational learning environment especially in relation to the regulatory alignment, leadership change, strategy implementation, etc., that could impact employees' behaviors and performance. Many focuses on the diagnosis of ‘why’ and ‘what’ are the impacts relating to OL culture, but few were able to identify the ‘how’ which provides useful intervention to an organization in this current rapid changing environment.

The findings were analyzed based on the evaluation of participants' responses under a 4 steps content analysis approach (Kumar, 2014). Qualitative research explores the diversity of attitudes towards the topics and not the intensity on data collected (Kumar, 2014). Besides the mentioned rationale above, several reasons for adopting qualitative approach are given in this study. First, the LO culture had been researched extensively in quantitative studies, but few were undertaken using qualitative research. Second, instead of relying on hypothesis on the findings in most quantitative nature, a qualitative and ‘grounded’ approach whereby researchers observe and listen to selected group of informants to understand their views and perceptions are more effective. Finally, individuals acquire new knowledge in their daily tasks and their commitment to learn directly influence OL culture (Sinkula et al., 1997). Qualitative approach helps to uncover critical factors on emotions, beliefs, attitudes, etc., and multiple-dimensions of learning processes (Goh, 1998; Hetzner et al., 2018).

Using a semi-structured interview approach, a sample size of 5-8 employees assuming different sales and service roles will be invited to participate in the interviews. Their respective roles represent various key functions in the organization and presented the diversity needed to broaden the spread of altitudes in this research. The selected list of employees has between 7 to 25 years of experience in the PB industry and they have been with the bank between 2 - 7 years. The study adopted a non-probability and purposive sampling design (due to financial constraint or saturation point) and non-generalized in nature. For this study, it was important to select sampling pool with a minimum of 2 years of experience in the bank, as an assumption was made that one would need 2 years in the bank to truly experience its organizational culture in various dimensions to provide their perceptions and views. The employees' wealth of experience was another important selection criterion, since experienced employees are deemed to be stable, resourceful and matured, and their receptivity to change will provide a holistic context on the research focus. Despite their different functional roles, they were all subjected to a common phenomenon of a constant changing learning culture in the private banking environment.

In consideration on adopting the semi-structured approach, accessibility to the respondents' pool was not an issue as they worked in one main office location. But the main challenge was the scheduling of interviews with respondents due to their unexpected workload and priorities in a client-centric PB environment. In addition, the multi-tasking of conducting interviews and managing deliverables at work are key challenges to researcher. However, the familiarity with the respondents and the support from senior management made the data collection process smoother.

4. Results and Analysis

![Table 1: Summary of Respondents' pool](image-url)

During the interviews, data were documented by note-taking and audio recording with special attention to responses to key questions. After post event, the multiple conversations were transcribed in word document and content analysis was collated. Following a 4 steps process (Kumar, 2014), that is, to identify main themes by analyzing the
transcript of the interviews carefully to understand the descriptive responses and categorizing the meaning of their responses under each identified theme; to assign repeated words or similar responses to the main themes and tabulate the number of times a theme was mentioned in the interview till it reached a saturation point; to classify responses under the main themes and conduct a thematic analysis; and finally, to integrate themes and responses into the report with verbatim responses.

Every successful organization has a culture because it reflects the branding or public image, impact the effectiveness of organization, steer the organization in the right direction, and support staff retention and talent strategy, according to Cunliffe (2008). A robust learning culture develops deeper emotional commitment of its employees to the organization, create unity and leads to sustainable performance. The study examined the extent of influence exerted by organizational culture at work and the related variables or enablers which impact the OL process and a basic LO framework.

The study proposed an integrated framework to illustrate the 4 identified cultural variables supported by the basic aspects of Ortenblad’s LO model (2015). These 4 cultural related variables or climates are, employee engagement, role-modelling, knowledge sharing, and performance management, were identified from various perspectives gathered during the interviews. The integration of these enablers with its supportive LO aspects, created 4 dynamic organizational learning culture, that is, empowerment, leadership, learning orientation, and performance, influencing employees’ learning behaviors intricately.

Numerous studies show that organizational culture is the single most fundamental and influential factors on OL leadership, employees’ behaviors, organizational performance (Flores et al., 2012; Park and Kim, 2018). Building upon Ortenblad’s (2015, pg.174) theory on “instead of having one universal, vague LO model, the belief is that through the concretization and adaption of the original, basic learning organization model into a set of context-adapted models...”, the study identified 4 cultural variables – employee engagement, leadership role-modelling, knowledge sharing, and performance management as critical variables climatizing the existing LO and OL processes supported by past researches (Grinsven and Visser, 2011;Song et al., 2014; Park and Kim, 2018). Evidently, the bank has successfully initiated the basic aspects of an LO model but “examining the influence of organizational culture on OL learning is important because it helps us to broaden our understanding of learning as a social phenomenon” (Flores et al., 2012, pp. 641).

Due to the competitive nature of PB business, individualism seems to be an inherent issue when comes to knowledge sharing. As the saying goes, ‘knowledge equates power’. Probably employees are reluctant to share their skills and knowledge because of fear of losing their trade secrets. However, respondents were in consensus that this act of reluctance, ‘knowledge hoarding’ could be changed. They agreed that the culture of team sharing was lacking but it is incredibly powerful and important for the organization to create an explosive learning culture. Senge (1995) highlights that the discipline of team learning is fundamental learning and supports the growth of a LO. Leadership sets the culture in the organization. When strategic leaders practice active listening to employees and encourage dialogue and sharing of thoughts, a learning culture will be formed overtime. Lawson and Price (2010) alluded that ‘mindsets’ may not be influenced easily but with strategic changes on the structure, skills and role modelling, changes will take place. Most respondents agreed that leadership who walk their talk shaped the organizational culture and influence employees’ positive behaviors.

5. Summary of Key Findings

Evidences supported the existence of 4 OL culture climatized by 4 cultural enablers, employee engagement; role-modelling; knowledge sharing; and performance management positively impact employees’ behaviors in the organization supported by a basic LO model (Ortenblad, 2015). Given strategic intervention and enhancement, these 4 dynamic OL culture, that is, empowerment, leadership, learning orientation, and performance, could impact employees’ behaviors positively and attain a sustainable organization performance. Collins cited in one of his best sellers, “Good to Great” (2001, pp.13), “all companies have a culture, some companies have discipline, but few companies have a culture of discipline”. Collins examined multiple successful organizations that progressed from a good company to a great one and among his discoveries which encapsulated in a 2 phases conceptual framework (build up and breakthrough), highlighted the importance of a culture of discipline which consists of disciplined people, thoughts, and actions, and when combined with an ethic of entrepreneurship creates a sustainable performance.

6. Conclusion

Given a rapidly transforming financial services environment to meet sophisticated customer needs and stringent regulatory expectations, effectively managing performance and employee behaviors appears to be key priorities in organizations. Drawing on the past studies related to learning organization and organization learning theories and its applications, this research provides refreshed insights on the nature and influence of four cultural variables, employee engagement; leadership role-modelling; knowledge sharing; and performance management in an organizational learning culture, each climatizing the learning environment and cultivating employees’ positive behaviors within a PB setting. A successful transition will develop an organizational culture supporting its employees’ ability and willingness to enhance core capabilities in preparation for the ever-changing environment and driving organizational performance. The results of this study indicate employees’ behaviors are positively influenced by OL culture. First, employees acquire knowledge, skills and ideas in formal and informal workplace learning through team engagement, and productivity improves under the empowered environment. Second, leadership must role-model the learning culture, nurture employees’ behaviors and motivate them to live out the organizations’ ethos. Transformational leaders’ actions, behaviors and attitudes help to establish and assimilate organizational culture successfully. Third, learning-oriented culture breeds ‘growth mindset’.
among employees, cultivating their imagination to recreate their learning space with resources available and self-motivation, deepening their learning commitment under a knowledge sharing environment. Finally, a robust performance management ensures rewards and incentives make work meaningful for individuals and teams, sets clear accountability, raises employees’ competencies and build a disciplined organization to impact growth.

7. Recommendations

A review on the KPIs and expected outcome should be considered holistically. Morieux (2018) suggests managers to fine tune their performance management approach and adopt reciprocity as part of their behavioral assessment. To sustain employees’ commitment to learn and impact organizational performance, organization needs to cultivate ‘growth mindset’ among employees, and nurture agility, adaptability and reskilling as key people development goals. In addition, organization needs to strengthen the current knowledge sharing climate and activities through technology and team collaboration, leveraging on the expertise across and build a high trust environment.

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