

**LEARNING ORGANIZATION: STRATEGY DEALING
WITH THE COMPLEXITY CHANGES IN THE STATE
ISLAMIC HIGHER EDUCATION (IHE)
Case Study at IAIN Tulungagung and STAIN Kediri,
East Java-Indonesia**

Agus Zaenul Fitri

IAIN Tulungagung Jl. Mayor Sujadi Timur 46 Tulungagung

ABTRACT

Changing status, both the changing institutional status of a college into the institute and the institute into a university, happening in the state Islamic Higher Education (PTAIN) in Indonesia now is being a new hope for the education quality improvement. Its implication requires the changes both in terms of mindset, paradigm, human resources, infrastructure and facilities, costs, as well as culture which needs a relatively long time if nothing is done to speed up the organization learning process. One of the ways how to speed up the organization learning process is through what so-called Learning Organization (LO). LO is characterized by a movement performed by all individuals in the organization to develop their personal capacity in order to improve their best performance. However, the efforts of developing the organization are often not supported by a manager who is able to translate the vision of the leadership. That is why, the idea of idealism is still becoming a lip service. It means that it has not become a structured and systematic action which actually can accelerate the development for the better organization if it is ultimately done. The biggest problem in conducting the LO is in term of mindset change and quality culture. The strength of the organization lies in the capability of the organization to learn fast. This research found out that the organization can learn because of the encouragement of the leaders and individual that are very critical to determine its success.

Keywords: Learning Organization, Change, Leadership, Culture.

Introduction

Background

The dynamics changing of times and the forces of globalization gives an impact for both profit-and non-profit organizations, including educational organization such as Higher Education (HE) who deals directly with the needs of the customer as its strategic role in producing the graduates who can meet with the expectations of society which is always changing from time to time. The HE is inseparable from the external influences. Accordingly, the HE needs to learn. All organizations are learn, but not all of these organizations are able to learn fast. Organizations that are not responsive and adaptive to any developments and changes in the complex and uncertainty situation would be very unfortunate in facing the competitive world which is constantly increasing.

Currently, the world entered a new era in the evolution of organizational life. Major changes in the economic environment caused by globalization and technology have forced the organizations to transform themselves in order to adapt and survive in the new world. Changes in the organization are not only occur on the external products, activities, or structures, but also occur on how the organization operates: its values, mindset, even the goal. The LO plays a major role in equipping the organizations in order to win the competition. The LO is very important especially in facing the rapid environmental change.

In order to achieve the goal efficiently and effectively as well as to be able to survive, grow, and develop; an organization, as a living thing, needs to reorganize itself through learning. The organization, no matter how big and magnitude it is, will not be able to survive, thrive, and even will become extinct if it does not make adjustments in line with the development and advancement of economic, social, science, technology, and environment. Such organizational death is the same as the extinction of the dinosaurs, the ancient giant animals, which are not capable of adapting to the changes happen in their environment. That is why, in order to survive, to thrive, and to be able to compete and collaborate with other organizations, the organizations need to learn.

Higher education (HE), as an educational institution, is a place for the interaction between the learners and the learning process with the ultimate goal that is to achieve both national and institutional goals. To realize a high quality of education, it requires qualified human resources who have high knowledge and acquire the information technology. Without qualified human resources, higher education can not achieve thier obejctives so that they can not improve their quality effectively and efficiently. As a result, the resulting output is not as what they have expected before.

As stated by Senge, learning organizations are those who have a strong orientation to human resources. He said that: "*people continually*

expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are matured, where collective aspiration is set free, and where people are continually learning how to learn together."¹

Meanwhile, Baldwin stated that members of the organization at all levels, not only on top management, continue to observe the environment with an effort to obtain the important information, change the strategies and programs needed to take the advantage resulted by environmental change, as well as work with the procedures, and continuously improve the evaluation techniques.²

An organization learn through its individuals who are becoming part of the organization. Individual learning refers to the expertise, insight, knowledge, attitudes, and values obtained by a certain person through experiences, interviews and observations. The LO is an important value in the creation of learning. Higher education (HE), as an educational institutions, must show itself as an educational institution that create the learning college. Learning college means the HE which is always learning at any time. However, in fact, there are still some obstacles in the realization of LO in the HE due to the lack competencies of the manager.

In various sources it is also stated that the strategy for providing faster and better public services can be facilitated by an organization with a structure that is not too hierarchical and employees who have high responsiveness and innovation. Therefore, the organizational changes is necessary. The purpose of these changes is to get the organization to be more adaptive and also be able to face the challenges and the evolving dynamics change at any time.

One of the change strategies suggested is changing the organization into the LO. Successful implementation of the LO and the support for implementing the LO in the public sector, among others, are proposed by Osborne³ and Gaebler⁴. They said that with LO, public organizations will become more customer oriented, hierarchy shorter, focus on teamwork, effective, responsive, accountability increased, and the organization will be the center of the main activities of controlling and steering.

Esposito et.al stated that "*the competitive landscape is changing, and new models of competitiveness are needed to deal with challenges ahead.*"⁵ The statement asserts that the organizations are required to develop

¹ Peter Senge, *The Fifth Discipline: The Art & Practice the Learning Organization*, (New York: Currency Double Day, 1990). p. 22.

² Baldwin, T.T., C.Danielson, and W. Wiggenhorn, *The Evolution of Learning Strategies in Organizations: From Employee Development to Business Redefinition*. *Academy of Management Executive*, November, 1997, p. 42.

³ Osborne, *Mewirusahaakan Birokrasi: Mentransformasi Semangat Wirausaha ke dalam Sektor Publik*, (Jakarta: PT Pustaka Bunaman Prasindo, 1997). p. 6.

⁴ Gaebler, T, *Banashing Bureaucracy: The Five Strategies for Reinventing Government*, (Reading: Addison-Wesley Pub. Company, 1997), p. 37.

⁵ R. W. Esposito Schumman and U Billeo, *Organizational Transformation and Learning* (Billello Press, 1996). p. 17.

and enhance its capabilities so that they are able to provide qualified products and services to the customers as the competition which is always increasing.

The ability of the organization to keep updating their knowledge through learning process is more important this time. In order to be able to compete, the present and future HE are expected to be more flexible and adaptive. Flexibility requires long-term commitment to build and develop a strategic resource. In paced dynamic environment, the HE must be oriented to the concept of a learning organization.

Higher education (HE) at any time need to anticipate the changes and new competition. Competitive environment has been formed as a result of changing demographics, technology, institutional status, and an increasingly complex global economy⁶. With the formation of the new competitive environment, new challenges also arise for the HE include accountability to the greater community, a greater expectation in improving cooperation access, more attention on improving the quality and cost education issues.

Characteristics of the organization that developed the learning organization, as proposed by Kerka, are: (1) *Provide continuous learning opportunities*, (2) *Use learning to reach their goals*, (3) *Link individual performance with organizational performance*, (4) *Foster inquiry and dialogue, making it safe for people to share openly and take risks*, (5) *Embrace creative tension as a source of energy and renewal*, (6) *(Are continuously aware of and interact with their environment)*.⁷

The HE continues to face a demand for change, in this case, the changes in relation with the effectiveness of the learning process. To deal with such situations, the HE is expected to adopt particular processes in order to promote the improvement of the teaching and learning process. To that end, the HE, either explicitly or implicitly, have to build an awareness of the importance of learning and the idea of learning as the basis and motor for the development of HE.

State Institute for Islamic Studies (IAIN) Tulungagung is one of the IHE in Indonesia that has transformed its status from The State College for Islamic Studies (STAIN) Tulungagung into the State Institute for Islamic Studies (IAIN). The IAIN is still very young, though, because it has been inaugurated on December 28, 2013. However, the IAIN has a very strong desire to transform itself into the university over the next 10 years. It of course shall be a great expectation as well as challenges that need to be addressed through a variety of methods including their strategy on how the organization can learn so that the organization can accelerate its changes not only on the physical aspects but also on the human resource development aspects. Unlike the IAIN Tulungagung, STAIN Kediri is still trying to change their

⁶ Blustain, H., P and G. Lozier, *Assessing the New Competitive Landscape*, (Sanfransisco: Josey Bass, 1999), p. 51.

⁷ Kerka S, "The learning organization: myths and realities, EricClearinghouse", in <http://www.cete.org/acve/docgen.asp?tbl=archiveandID=A028>, accessed on September 2, 2014.

institutional status from a college into the institute. However, it is seen that the STAIN has the passion to change. It is proved from the restlessness of its academic community to speed up the realization of their status change. The other interesting point is that these two institutions are trying to build a climate, conditions, or organization for the better atmosphere as the increasingly rapid environmental changes and the complexity problems faced by IHE today, ranging from the mismatch between the quality of the inputs, processes, outputs and outcomes with the needs of the community which is ever-changing any time.

Based on the background above, the researchers found that it is necessary to conduct an in-depth study related to the learning organization as a strategy to deal with the complexity changes on both IHE (IAIN Tulungagung and STAIN Kediri).

Problems of the Study

Based on the background above, the researcher focuses this study to find out the strategy and the way how both IHE dealing with the complexity changes happening on their institutions. Referring to the research focus above, the research questions of this study are formulated as follows:

1. How are the efforts of IAIN Tulungagung and STAIN Kediri to expand their personal capacity in achieving the institution's desired result?
2. How is the process of self-reflection and self-image to the outside world in IAIN Tulungagung and STAIN Kediri?
3. How is the way of IAIN Tulungagung and STAIN Kediri to build up the commitment for the future institution common dream?
4. How is the strategy of IAIN Tulungagung and STAIN Kediri to transform the idea to make the institution larger?
5. What sort of problems faced by IAIN Tulungagung and STAIN Kediri in developing the institution?

Purposes of the Study

Based on the research focus and formulated research questions above, the study is intended to:

1. Describe the efforts of of IAIN Tulungagung and STAIN Kediri to expand their faculty and staff personal capacity in achieving the institution's desired result.
2. Describe and explain the process of self-reflection and self-image to the outside world in IAIN Tulungagung and STAIN Kediri.
3. Describe and explain the way how IAIN Tulungagung and STAIN Kediri build up the commitment for the future institution common dream.
4. Describe the strategy of IAIN Tulungagung and STAIN Kediri to transform the idea to make the institution larger.

5. Describe sort of problems faced by IAIN Tulungagung and STAIN Kediri in developing the institution.

Significance of the Study

Theoretically, the study can be used to assess the concept of Learning Organization to develop the educational institution. However, in particular, the study has the following significance:

1. The study functioning as a means to develop the concepts or theories empirically in order to strengthen or discover new concepts in educational management especially those which are related to the learning organization (LO) at higher education (HE).
2. The result of the study can provide an idea for the rector or the leader of the higher education associated with the effort, strategy, and the way how to apply the LO in the organization maximally.
3. LO as a strategy to deal with the complexity changes can be used as an alternative way to be applied for developing the quality of education in higher education.
4. The implementation of the LO can be used as a reference for developing the IHE in Indonesia, especially in East Java region.
5. For other researchers, the result of this study can be used as a reference for further study related to the learning organization as a strategy to deal with the complexity changes in Islamic higher education.

Review of Related Literature

Learning organization (LO) is an organization that learns powerfully, collectively and sustainably in changing itself to collect, organize, and apply a better knowledge for the success of a business. In this sense, learning organization is an organization that learns together with all of its strength sustainably in order to transform itself to collect, manage, and use knowledge for the organization's success.

Garvin defines a learning organization as an organization expertise for creating, acquiring, interpreting, transferring and sharing knowledge aimed at modifying its behavior to describe the knowledge and insights.⁸

The definition of LO according to Peter Senge: "... *organizations 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 see the whole together*". This understanding shows that the LO is organization where the people develop their skills on an ongoing basis to create the results they truly desire, where new ways of thinking are extended, where aspiration

⁸ Garvin, D.A., *Learning in Action...*, p. 11.

is free, and where people are continue working together to understand everything.⁹

Meanwhile, Mumford proposes the formula: L (*Learning*) = $Q1$ (*Questioning Insight*)+ P (*Programmed Knowledge*) + $Q2$. $Q2$ refers to the process of questioning the problem, issue, or opportunity. $Q2$ is an additional formula proposed by Sutton to criticize the formula proposed by Reg Revans.¹⁰ The process of learning includes the following efforts. First, unfreezing the beliefs, knowledge or attitudes that are currently applied. Second, absorbing new attitudes and behavior. Third, refreezing, establishing new attitudes and behavior.¹¹

The term "learning organization" and "organizational learning" is very closely related and often used interchangeably, although, in fact, there are some differences between them. The concept of organizational learning began widely known in the 1970s, introduced by Argyris and Schon.¹² Organizational learning is a type of an activity in certain organization in which the organization learns. At the contrary, learning organization is a type of organizational form.¹³ The bottom line according to Tsang, an organization will become a learning organization through the implementation of organizational learning.¹⁴ However, it will be hard to differentiate between organizational learning with the learning organization.

The behavior of a learning organization is to collect, interpret, and apply the data to improve the organizational performance. Learning organization against the stability by means of continuously perform self-evaluation and experimentation. Baldwin *et.al*¹⁵ says the member of organization, at any level, continue to observe the environment with the efforts to obtain important information, change the strategy and program needed to take advantage of changes in the environment, as well as work with the methods, procedures, and tehniques of evaluation that is constantly improved.

⁹ Peter Senge, *The Fifth Discipline: The Art & Practice the Learning Organization*, (New York: Currency Doubleday, 1990), p. 33.

¹⁰ Mumford, A. *Action learning at work*, (Hampshire: Gower, 1997). p. 2.

¹¹ Agus Joko Purwanto, *Jurnal Organisasi dan Manajemen, Volume3, Number, March 2007, 1-9*.

¹² Fulmer, R.M., P. Gibbs and B. Keys The Second Generation Learning Organizations: New Tool for Sustaining Competitive Advantage, *Organizational Dynamics*, 27 (2), 1998, p. 6-21.

¹³ Ortenblad, A. On Differences between Organizational Learning and Learning Organization, *The Learning Organization*, Vol. 8, No. 3, 2001. p. 125-133.

¹⁴ Tsang, E.W.K. *Organizational Learning and Learning Organization: A Dichotomy between Decriptive and Prescriptive Research*, HR, 1997. p.73-89.

¹⁵ Baldwin, T.T., C.Danielson, and W. Wiggenhorn, The Evolution of Learning Strategies in Organizations: From Employee Development to Business Redefinition. *Academy of Management Executive*, November, 1997. p. 47-58.

Organization that has a willing to do experiment and learn from its experiences will be more successful compared to the organization that does not do it.¹⁶

Learning organization is an organization that is able to continually expand their capacity to create the future. The limitation of the LO proposed by Senge clearly states that the organization needs to put itself in a change situation. Thus, the entire system of the organization is always placed in a position that is constantly changing. Organizational change is guided by a desirable future conditions. Accordingly, organization is not only required to adapt to the changes but also required to be able to create new knowledge in order to achieve the better future. Peter Senge also explained that organizational learning is as a discipline to develop the employees potency which is known as *The Fifth Dicipline*, as following:¹⁷

- a. **Personal Mastery**, learning to expand the personal capacity to achieve the most desirable result and to create an organizational environment that is able to stimulate the member to develop themselves toward the achievement of goals as well as work satisfaction. The organization competitive advantage will only come from the successfulness of organizational learning, how to build a commitment and member capacity to learn at any level of organization. In managing the human resources, the organization shall to empower its member. The purpose is that the faculty and staff are able to develop their creativity and motivation, as well as to improve their personal goals which are align to organizational goals. Such organization will be created through long-term practice from a series of disciplines. Thus, there will be an organization that is managed by individuals who work together towards a common vision rather than on the basis of command.
- b. **Mental Models**, an internal thought of a person that is strongly hold to see how the world works, the idea behind organizational action and thought. Mental models are also a self-reflection process, and it can be used to improve a self-image to the outside world, and to see how they form a decision. Senge argues that the problem may occur in the mental structure when a person's thinking follows a model without the possibility of his readiness to change and/or construct new understandings.
- c. **Shared Vision**, building up a commitment in a group through developing a common dream that will be created, principles and practices that guide a person to achieve his future goals. Shared Vision is the answer to the question "what do we want to create?", The development will not help the organization unless there is an alignment between personal vision with organizational vision. Thus, not only the vision of the organization is

¹⁶ Wheelen, Thomas L. And J. David Hunger, *Strategic Management and Business Policy*, Eighth Edition. (New Jersey: Prentice-Hall. 2002). p. 9.

¹⁷ Peter Senge, *The Fifth Discipline Fieldbook: Strategies and Tools for Building a Learning Organization*. (London: Nicholas Brealey. 1995). p.18.

important for faculty and staff, but also a personal vision should be assessed and valued by the organization.

- d. **Team learning**, is how to transform the conversation and thinking skills, so that a group can legally develop the brain and greater capabilities than when each member of the group are working alone. Team learning is a matter of practice and process. Senge called this process as "*team learning*" and explained that this is a discipline which is characterized by three important dimensions, namely:
 - 1) The ability to have the insight to think about important issues.
 - 2) The ability to act in innovative and coordinative ways.
 - 3) The ability to play different roles in different teams.
- e. **System Thinking**, is a point of view, the way how to speak in order to describe and understand the strengths and relationships that determine the behavior of a system. This discipline is a framework to look at the interrelationship among existing disciplines. The discipline factors helps one to see how to change systems more effectively and to take action that is more appropriate with the process of interaction between the components of a system with its natural environment.

By considering a variety of opinions about the strategy to reach the LO, it appears that the purpose of learning is for knowledge creation. Knowledge creation is the ability of companies or organizations as a unity to create new knowledge, disseminate it throughout the organization. This knowledge comes in the form of products, services, and systems.¹⁸ Knowledge creation becomes important in LO, because LO is associated with the creation of a future state.

In short, it can be stated that the fundamental components of the LO is system thinking. With the system thinking, a person will have the ability to see an event thoroughly. Systems thinking will underlie the formation of mental models and encourage people to achieve personal mastery. Mental models and personal mastery collectively will become the foundations of the shared vision. Shared vision becomes the basis for the development of team learning. The development process of systems thinking, mental models, and personal mastery is a learning process on personal level. Then, shared vision and team learning is a learning process at group level. Learning at a group level will work well if each of the members involved have the supported system thinking. Learning at groups and individuals level will be achieved when facilitated by an effective agency and leadership that are able to encourage learning. Organizational learning is different from learning organization. As noted by Ortenblad that: "*Organisational learning refers to processes or activities by which an organization learns while a learning organization is the organizational form*

¹⁸ Nonaka, I. & Takeuchi, H. *The Knowledge Creating Company: How Japanese Companies Create The Dynamics of Innovation*. (New York: Oxford University Press. 1995). p. 72.

defined by the capacity to learn and outcomes of learning."¹⁹ From the above quotation it can be explained that organization learning refers to the process or activities whereby an organization learns, while learning organization is a form of organization determined by its ability in learning and its results.

Methodology

This study used a qualitative approach and field research design that was conducted to get a real picture based on the field of data with a multicase study setting. The data in this study were anything which had relation to the research focus focusing on the learning organization in IHE. The data in this study was collected through the technique called snowball sampling where the key informants determined the other interviewees to whom the researcher could collect more data.²⁰

The data in this study were divided into two; primary and secondary data. Primary data was obtained in the form of words or verbal utterance and the behavior of the subject (the informant) related to the learning organization in IHE such as the way how to expand the capacity of faculty personal learning in dealing with the status change, strategies how to make the same perception of the future institutional goals among the organization members, and how is the transformation of personal mindset in raising the institutions both in IAIN Tulungagung and STAIN Kediri. Meanwhile, the secondary data were obtained from documents, photographs, and objects that can be used as a complementary data in the form of writings, recordings, images or photos associated with the process or activity in relation with the learning organization in IHE.

Sources of data in this study were in the form of human and non-human. Data from human were obtained from the people who knew about the problems in accordance with the formulation of the research problem such as: rector, vice rector, faculty, staff, students, students' guardians, and stakeholders. The key informants in this study was the rector of both two HE where the study was conducted. Meanwhile, the source of data derived from documents were selected based on their relevance to the learning organization in the HE, such as records, decrees, records images/photos, and observations that had a correlation with the formulation of this research problem.

The key instrument in this study was the researcher himself. As for determining the informants, the researcher conducted purposive sampling, internal sampling and time sampling.²¹ The data in this study were obtained

¹⁹ Educational Research and Review Vol. 3 (9), pp. 289-293, September 2008. Available online at <http://www.academicjournals.org/ERRISSN> 1990-3839 © 2008 Academic Journals, accessed on September 2, 2014.

²⁰ W. Mantja, *Etnografi Desain Penelitian Kualitatif dan Manajemen Pendidikan*, (Malang: Winaka Media, 2003). p. 7.

²¹ Bogdan, R.C. & Biklen, S.K. *Riset Kualitatif untuk Pendidikan*. Translated by Munandir. (Jakarta: Depdikbud, 1990), p. 199.

by conducting: (1) participant observation, (2) in-depth interviews, and (3) study the documentation.²² Meanwhile, this research was carried out by some steps: collecting the data on the first research setting that was IAIN Tulungagung. The time required for collecting data in this setting was 3 months. The collected data were studied, encoded and processed by looking at the categories developed in a series of theme so that it, then, found a conceptual findings which were tentative. The data were also collected at STAIN Kediri, as the second site of study, as well as what have been done at the first site of study. The researcher allocated specific time gradually for collecting data on both sites, but at a certain event, the researcher observed that event simultaneously on both sites of study.

Based on the conceptual findings of the two subjects of research, the researcher, then, analyzed the findings by mapping the conceptual findings of each site and also developed these conceptual findings taken from both sites of study. With these steps, it was found comprehensive conceptual findings that also could be abstracted deeply related to the Learning Organization as a strategy to deal with the complexity changes in IHE.

In this study, the researcher conducted observation and interviews with the rector of both HE to dig out the data related to the vision, mission, and the way how he shared his idea to all of the faculty members. The interview with the lecturer and staff were done to collect the data associated with the way how they learn as an individual and team. Moreover, the researcher also conducted the interviews with some other informants, determined from the snowball sampling technique, to collect more and more data until the data were saturated to modificate the new theory.²³ At the stage in which the data were saturated, the study was considered completed so that the verification and conclusion could be drawn.

A study with qualitative approach collected the data in the form of words or phrases that described the phenomena associated with the formulation of research problem that has been determined before the study was conducted. The qualitative data will be interesting if it is able to describe the phenomena happen at field of research deeply.²⁴ In this study, the validity and trustworthiness of data measured by three criteria: (1) credibility, (2) transferability, (3) dependability, and (4) confirmability.

Analysis and Discussion

1. How to Expand Personal Capacity to Create the Results Organization Desires.

²² Bogdan, R.C. & Taylor, S.J. *Pengantar Metode Penelitian Kualitatif*. Translated by Arief Furchan. (Surabaya: Usaha Nasional, 1992). p. 65.

²³ *Ibid.* p. 68.

²⁴ Miles, M.B & Huberman, A.M. *Analisis Data Kualitatif*. Translation by Tjetjep Rohendi Rohidi. (Jakarta: UI-Press, 1992). p. 73.

Based on the findings found in the field, human resource is the prominent aspect that shall be developed and improved to expand personal capacity of either lecturer or employee. The effort is performed in purpose to: (1) encourage lecturer to achieve doctor's degree, (2) add adjunct lecturer to maximize lecturer's performance, although in fact, the ratio of lecturers to students is far ideal since it is in upper limit of the idealized ratio, i.e. 1:40.

New lecturer addition through either civil service examination or adjunct lecturer selection process shall be the best way to improve organization's personal capacity. Otherwise, what shall be taken into consideration by organization is on how the existing human resource is endorsed more through financial incentive, reward and facility to improve his competence for the best performance. The data shows that lecturer and employee tend to better his personal quality with no initiative from the organization. Obviously, it is seen by their participation in an event held by external organization like the Directorate of Higher Education, the Directorate of Islamic Higher Education and other external organization, instead of events organized by the organization. Different from the State College for Islamic Studies (STAIN) Kediri which held annual international seminar in various topics, the State Institute for Islamic Studies (IAIN) Tulungagung rarely organized seminar. In fact, in these 4 last years, there is no international event yet to encourage personnel to improve their quality.

Personal capacity improvement will not be enough if it is just carried out by adding the number of lecturer, but the quality of the existing lecturer shall be improved in either educational knowledge or the expected output which both achievement are presented by performance records. Personal capacity development for lecturers in IAIN Tulungagung is visible in the 10 last years by encouraging lecturer and employee to achieve doctor's degree. Otherwise, the last 10 years the STAIN Kediri has been spent to solve its internal problem (conflict of interest) concerning on leadership. As the results, the IAIN Tulungagung gains success faster when 49 lecturers achieve their doctor's degree,²⁵ while the STAIN Kediri has still 28 people with doctor's degree. Recently, there is an accelerated process to improve lecturer's capacity by encouraging them to continue their doctorate degree in various colleges in conformity with every lecturer's discipline.

Besides, based on the other findings, there is still significant difference between the expected performance of lecturer and employee and the reality found by survey. Data survey reveals that satisfaction level toward academic service and administration is still fewer than 40%. According to Peter Senge, lecturer and employee have not performed an expected performance yet. *"...people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are matured, where collective aspiration is set free, and where people are continually learning*

²⁵ D/Personnel of the State Islamic Institute of Tulungagung up to October, 2014

how to learn together."²⁶ Accordingly, LO in the organization is too low that lecturer and employee have not truly performed their expected performance.

Hence, (3) IAIN Tulungagung takes civil service examination by giving priority to those lecturers with doctor's degree, (4) the State Islamic Institute of Tulungagung makes MoU with other colleges. However, based on the analysis of the obtained data, the cooperation taking place seems like "spontaneous" action, instead of a structured, systematic and measured effort. Arising therefrom, the cooperation is not an initiative of special organization to establish this common action, but it arises personally from individual who accidentally have friends or relationship with other party to which this coincidental is followed up by cooperation. For example, cooperation with Pathani Thailand, based on the data analysis, was initiated accidentally when someone has friend and it is followed up by cooperation afterwards. Accordingly, since the beginning, this cooperation is not an idea of the organization to work together. Even international student program, from Thailand in this case, is a program from Ministry of Religious Affairs in which the students are entrusted to some States Islamic Colleges in Indonesia like IAIN Tulungagung and STAIN Jember.

In addition to the effort, encouragement to lecturers to improve their personal capacity is given by either IAIN Tulungagung or the STAIN Kediri through some events like research and service for public, training and workshop. However, the changing institutional status of the IAIN Tulungagung has not been backed up by maximum support for quality improvement of the lecturer. Based on the research data, it is known that amount of fund for lecturer capacity improvement is so small since the organization still focuses on physical aspect development such as lecture hall, laboratory, and other facilities. A college is regarded carrying out learning organization if it starts to develop the organization by developing personal mastery, i.e. how to strengthen personal capacity. In this context, personal concerns on lecturer and employee.

The initiative should come from the college since a proof where a college is able to achieve personal capacity in achieving the good outcome is achieved not only by education, but also by financial incentive, reward, adequate fund allocation, and sufficient work facilities. As proposed by Senge, he suggests that the organization shall make an effort to expand personal capacity in achieving the most desired outcome and to create organizational environment in allowing all members to do self-development for goal achievement and purpose in conformity with the chosen expectation. Competitive advantage source will come from nothing but success of the organization through learning and the way how to invite people commitment and capacity to learn all levels in organization.²⁷

²⁶ Peter Senge, *The Fifth ...*, page 22

²⁷ Peter Senge, *The Fifth Discipline Fieldbook: Strategies and Tools for Building a Learning Organization*. (London: Nicholas Brealey. 1995). p.18.

College keeps on being faced with demand to make a change. Accordingly, it is a change relating to effectiveness in teaching-learning process. To face with the situation, the college is expected to adopt special processes to encourage teaching-learning revision. Thus, the college needs to explicitly or implicitly establish awareness on the importance of learning and learning ideas as the principle and motivating force of college development.

The organization learns through individual who become the part of organization. People are hired due to their particular competence or knowledge achieved by their formal occupation or training. Simply put, formal education is a way to improve individual capability, and that the organization makes a good thing out of various activity conducted by those educated individual. Accordingly, learning is a phenomenon where the organization has the advantage of the skilled members of the organization.²⁸ However, it is not a simple matter. Nowadays, individual learning is incapable of ensuring learning organization; conversely, learning organization will be nothing without individual learning.

Individual learning concept suggests implicitly that human is capable of learning and changing to be fully grown. Human is obliged to get himself conforming to his capacity. As expected, he will be able to contribute his best for himself at least, and for organization, social and environment welfare at most. The organization shall learn from other organization. When an organization acquires possession (acquisition) or combines with other organization (merger), the organization can absorb procedures and ways from other organization or combine them with former ways and procedures to have a new knowledge either the process or personnel. Organizational learning is a forum to make society more mature, i.e. a group of human with various potential for which the potential is unified to establish skillful cooperation. Purposely, the cooperation will have a common vision, share mental model and knowledge to be unified and transformed into virtual capital of the organization. Without organizational learning mechanism, the organization will be incapable of maintaining its growth and development consistency. Consequently, it will not gain more added values for stakeholders.

Basically, there is no any principal difference between individual learning and organizational learning processes. The differences are in (a) the number of the members participated in the organization; accordingly, main concept of organizational learning is collective learning (that involves all members) in which the mechanism shared (how to share ways of thinking, perspective, mental model or common vision) becomes the key to success of organizational learning process, and (b) when tacit knowledge has been established, the process is continued by institutionalization to transform the tacit knowledge of the organization into explicit knowledge of the organization.

²⁸ Garvin, D.A., *Learning in Action: A Guide to Putting the Learning Organization to Work*. (Boston: Harvard Business School Press, 2000). p. 11.

In general, indication of the success of organizational learning process is the expansive and intensive collective learning mechanisms (organization) when: (a) the organization is capable of performing continuous improvement process through quality improvement in perspective and ways of thinking, and (b) the organization is able to carry out social innovation process through paradigm quality improvement. The primary objective of organizational learning process is collective knowledge institutionalization as the product of integration from which the knowledge is taken from the members (to share knowledge and or to share mental model). The integration is actualized in form of strategy, program, system, or organizational guidelines.

Characteristic of learning organization is when all people are involved in collective and collaborative process. It has been proposed by Marsick that: *“Learning organizations are characterized by total employee involvement in a process of collaboratively conducted, collectively accountable change directed towards shared values or principles.”*²⁹ According to Kerka,³⁰ learning as the work concept of LO is something valuable, continuous and most effective matter when the matter is shared, and that experience is an opportunity to learn. *“(Most conceptualizations of the learning organization seem to work on the assumption that ‘learning is valuable, continuous, and most effective when shared and that every experience is an opportunity to learn).”*

Visible characteristic of the general concept regarding learning organization is that the organization: (1) Makes an opportunity to learn available continually, (2) Utilizes learning to achieve their objectives, (3) Correlates individual performance and organizational performance, (4) Promotes curiosity and dialog acceleration that allow people to safely share their opinion avowedly and take the risk, (5) Clasps creative tension for power resource and renewal, (6) Keeps on awareness and interaction with their environment.³¹

Based on that perspective, level or degree of organizational learning in the State Islamic Institute of Tulungagung or the State Islamic College of Kediri is far from the expected LO proposed by Kerka. It is specifically for point 3, 4, and 5 concerning on the relationship between individual performance and organizational performance, creative tension embrace and continual awareness to maintain the interaction with environment. Low grade is given when the statements about lack of seriousness to facilitate lecturer and employee capacity development are proclaimed. It is obviously seen from the minimal competence development oriented events for lecturer and employee like workshop, training and seminar or other capacity building activities.

²⁹ Watkins K, Marsick V *Building the learning organization: a new role for human resource developers, Studies in Continuing Education*. (San Fransisco: Jossey-Bass. 1992). p. 115-29.

³⁰ Kerka S. The learning organization: myths and realities, Eric Clearing house, in <http://www.cete.org/acve/docgen.asp?tbl=archiveandID=A028>, accessed on September 2nd, 2014

³¹ *Ibid.*

When an organization wants to be a great one, it shall consider that the greatness comes from the great people (individual) involving therein to boost accelerated organization development, instead of converse situation. Hence, there shall any encouragement, facilitation and particular reward for lecturer and employee who takes serious effort in developing his personal capacity to achieve the expected performance.

2. Self-reflection and Self-image Processes to the Outside World

Based on the previous findings, some effort can be done to improve organizational self-image. IAIN Tulungagung for example (1) takes college strategic plan to observe achievement for the predetermined targets, (2) examines self weakness compared to other State Islamic Colleges or State Colleges, (3) sets the benchmark or competitor (4) takes the report from civil society organization, (5) conducts self evaluation in every program of study, and (6) considers suggestion and recommendation from graduate user. When the State Islamic Institute of Tulungagung regards the surrounding State Islamic College as competitor, STAIN Kediri takes the others as collaborator. Hence, these are the way to improve self image: (1) takes self reflection concept by noticing other State Islamic College development; (2) takes the best practice performed by the existing State Islamic College; (3) regards the developed Islamic College as partner and collaborator; (4) takes self evaluation internally since every lecturer applies an unstructured evaluation system.

Self examination process is carried out by the organization through self reflection either in IAIN Tulungagung and STAIN Kediri. Based on the findings found in this research, the two organizations do not have standardized instrument or measuring equipment in purpose to: (1) assess if the organization has achieved the expected objective, (2) observe incomplete target, (3) discover position of the organization compared to other State Islamic Colleges or General Colleges, (4) note the strategy to catch up on underdevelopment, and so forth.

Presumably, it is caused by lack of support from the leader to the organization or unit to handle events like survey or research concerning on self reflection and self image improvement. If it exists, the self evaluation set to be measuring equipment is still subjective, i.e. every personnel-based perspective, instead of data-based perspective (speak with data). Everyone as managing person in the college shall act and make decision based on the data analysis which had been obtained, instead of assumption or manipulation.

Besides, self evaluation also has close relationship with accreditation application form for every program of study. It is found that State Islamic Institute and State Islamic College do not have the standardized and measured instrument utilized to assess the position and the achievement. It is visible when the researcher asks what indicator is used to assess that the organization is better than others, or what standard to assess that other organization is

worse. In fact, the answer seems like personal opinion of every informant, rather than based on the objective data.

The learning organization is characterized by an organization which learns not only from the success, but also mistakes. More, this is an endless development to establish learning culture. In LO, learning culture exists meaning that organizational climate must keep on learning. The commitment to learn development from personal to top manager is proposed by Ngesu Lewis:

*"...People at all levels encouraged to learn regularly; learning is rewarded. Time to think and learn (understanding, exploring, reflecting, developing). Valuing people-ideas, creativity and "imaginative capabilities" are stimulated, made use of and developed diversity is recognized as strength. Climate of openness and trust - individuals are encouraged to develop ideas, to speak out, to challenge actions. Learning from experience - learning from mistakes is often more powerful than learning from success. Failure is tolerated, provided lessons are learnt ("learning from past failure")."*³²

Based on the quotation above, it is explainable that characteristic of Lo is that everyone are motivated to learn regularly since learning is awarded. Appraisal of people-ideas, creativity and imaginative capabilities shall be urged, carrying out by developing something different is strength. Climate of openness and trust to individual is encouraged to expand ideas, argument, and challenging action. Learning from experience, learning from mistakes will be more powerful than learning from success. And, learning from the past.

In learning organization, people and organization must not satisfy current state. And, It is just a few people will be satisfied by current condition if they regularly take accurate feedback regarding their performance from stakeholder.

3. The Way to Build Commitment to the Common Dreams

The findings found in the IAIN Tulungagung and STAIN Kediri depicts different method to build commitment to the common dreams. These are inseparable parts of dissimilar condition and atmosphere in the two different colleges, as well individual characteristic and leadership style. IAIN Tulungagung considers some effort below important to: (1) minimize friction between groups since the leader is aware of change that will be hard if internal part of the college has unpleasant friction; hence, the effort to build commitment is by making compromise in purpose to minimize friction between individual and group or lecturer and employee; (2) establish brotherhood; (3) make the leader actively participates in events to let people know his performance during the process. However, it has not been

³²Educational Research and Review Vol. 3 (9), pp. 289-293, September, 2008, Available online at <http://www.academicjournals.org/ERR> ISSN 1990-3839 © 2008 Academic Journals

experienced by "middle managers" (dean of faculty). They experience the opposite condition. The top manager (vice president of college) looks like lack of attention to the existing events. It is visible from their absence to the meeting invitations discussing about vision, mission and academic policy direction. Even, middle managers often cut in the bureaucratic line as the consequence of lack of communication between top manager and middle manager or lower manager. "Taken for granted" is frequently stated by one of the middle managers to illustrate what is going on.

It goes in the opposite direction of what has been proposed by Cohen on the art of leading that "if you have a vision and you communicate it to people, you will be success even if challenges are before you. (if you do not have any views where you are going to go, nobody will follow you."³³

To explain the supposition, Someone (researcher) studies caterpillar by taking an experiment. He takes processionary caterpillars and put them in plane of a circle. A caterpillar which is used to be the leader is stuck close together with the last caterpillar. There is no leader and follower then. In the center of the circle, the researcher puts a bowl of berry leaves. The researcher is eager to know how long they will be last going round and round without leader and destination. He believes that finally, the caterpillar must set themselves free from the circle to eat the berry leaves, or they will be starving to death. Indeed, the experiment has startling finding. The caterpillars keep walking in circle until they are too weak to reach the berry leaves. They are continuously tailing the front caterpillar. They keep moving forward without any destination. In fact, human is not processionary caterpillars.

Meanwhile, STAIN Kediri takes these effort to build the commitment: (1) makes between personals atmosphere conducive, (2) has communication between higher authority and lower manager, (3) leader is a model for subordinates. They are carried out since the last 10 years, the organization faces problem related to leadership. People believe that the leader has curbed and bound personnel's self development experienced by lecturer and employee. Based on the findings, the effort to create conducive atmosphere becomes a commitment of the new leader, as promise of his new leadership.³⁴ Many subordinates feel more relieved to speak out their aspiration than previous leader.

4. The Strategy to Transform Every Thought to Make The Organization Larger

Based on the findings in IAIN Tulungagung, the strategies applied to transform the thought to make organization larger are: (1) giving motivation to establish sense of belonging to the organization, (2) by making an open forum

³³ Agus Zaenul Fitri, *Manajemen Mutu dan Organisasi Perguruan Tinggi*. (Tulungagung: STAIN Press: 2013), p. 7.

³⁴ Statement of president of the State Islamic College of Kediri is considered as an effort to establish togetherness and to build solid team.

in formal meeting. These strategies are frequently employed and carried out by the leader to deliver his idea and notion. However, there is still any incisive perception in dean level. Few of them understand vision/ideas of the president, but others do not catch them; if they get the point, it is only the general views.

When the president talks about World Class Institution, it still becomes an idealism of the leader. Top managers (vice president of college) are incapable of interpreting the idea into a structured and systematic strategy, method and technique. It is proved by statements uttered by middle managers (dean of faculty). They state that those vice president of college are the person who shall translate the World Class Institution idea into tactical strategy for what, who and how to turn the wheels of organization in the State Islamic Institute of Tulungagung. Purposely, the idealism will not be merely forum, but it must be truly realized. It proves that there is no any capability yet from the top manager to establish knowledge creation.

Knowledge creation is a capability of institution/organization in a whole to create new knowledge and spread it over entire organization. This knowledge is formed into product, service and system.³⁵This Knowledge creation becomes an important element in LO since LO relates to the creation of future condition. The basic component of LO is system thinking. System of thinking allows people to have capability of observing an event at a whole. This system of thinking becomes foundation for mental model and encourages people to achieve personal mastery. Mental model and personal mastery collectively becomes the basement of shared vision. Shared vision is the foundation of team learning development. Development process of system of thinking, mental model and personal mastery is the process of learning at personal level. Shared vision and team learning then are learning at group level. Learning at group level will work well if every member involving in the process has supporting system of thinking. Learning at group and individual level can be achieved if this process is facilitated by effective bureau and supporting leader to proceed the learning. The process will drive and accelerate the progress of organization.

A research given to the best 200 department chairmen (program of study) is conducted by Creswell *et al.*;³⁶he found that the department chairman takes the charge of establishing common vision or focus of the program of study. Vision of the department shall be in compliance with the vision and mission of institution and faculty. Decision of vision and mission will be made by their participation in formulation process. Program of study shall seek a deal on who will get the service, how to serve, and what the goals are.³⁷

³⁵ Nonaka, I. & Takeuchi, H. *The Knowledge ...*, p. 72.

³⁶ Creswell, J.W., D.W. Wheeler, A.T. Seagren, N.J.Egly and K.D. Bayer *The Academic Chair Person's Handbook*, (Lincoln:University of Nebraska Press. 1990). p. 37.

³⁷ Gardiner, L.F. Monitoring and Improving Educational Quality in the Academic Department. In A.F. Lucas & Associates, (*Leading Academic Change: Essential Roles for Department Chairs*, 2000). p. 165-194.

However, based on the findings found in IAIN Tulungagung, middle managers catch multi perception to the vision of organization. Few managers are fairly satisfied of the vision of organization, but some others do not. It is worse when there is no any clear socialization to the vision of organization, especially on how to arrange those vision and mission and to make people know about them. In fact, the process is unstructured and unplanned well.

Mission of the program of study must be translated into the more specific goals, target, and activity compared to the mission since they are combination of operation. Further, chairman of the program of study is the key man in transforming program of study into learning community through vision of the more effective teaching, the better learning process, the more accurate scholarship and the more cooperation.

The strategies carried out by STAIN Kediri in transforming thought to make the organization larger are: (1) by communicating vision via media; (2) by setting every individual free to speak out their thought; (3) motivating lecturer through the same scientific cluster; (4) organizing small discussion in every department to talk about weakness and strength; and (5) employing college's TV and radio.

The chairman of STAIN Kediri employs formal and informal events as an effort to deliver his vision and mission. Besides, he also utilizes the role of printed and electronic media to convey his ideas and notion about the future plan.³⁸ However, the recent vision designed by the chairman could not be actualized as far as the research done. In fact, the vision is urgent as stated by Lang and Lopers that declaration of the long-term vision, mission, planned activity can depict characteristic of organizational learning.³⁹ In general, college has formal declaration about the goals, and it is broadly known as mission statement.

Lang and Lopers-Sweetman⁴⁰ suggests some roles of mission statement. Mission statement has a role as an explanation of the goals, filter of opportunist, description about who they are, their aspiration, or their marketing pattern. There are many functions of this mission statement though. Commonly, the mission relates to the future of the organization. Vision of the university which performs organizational learning is truly actualized through program of study.

In LO, sharing activity to transform the idea from leader to subordinate is frequently conducted to make people understand, and it is absolutely an effective learning process because people can learn the other's experience. However, this sharing activity is not a simple thing for organization. Here are some obstacles of the sharing process: (1) *Knowledge is power*. Knowledge is considered as a stand alone power. The knowledge

³⁸ Radar Kediri, July 24th, 2014.

³⁹ Lang, D.W. and R. Lopers-Sweetman The Role of Statements of Institutional Purpose, *Research in Higher Education*, December, 32, 1991. (6), p. 599-624.

⁴⁰ *Ibid.*, p. 624.

possessed by someone becomes a special power; and if it is shared to other people, it will make the person suffer a loss when someone else becomes his rival. (2) *Not invented here*. Everyone has special way to learn. If the method is not self-arranged, he will not learn. (3) *Lack of support from management*. **Many organizations do not give any facilities to employees in learning.** The organization believes that learning will reduce job productivity when it cuts down the time to work.

Today, there occurs paradigm shift on the process of learning in organization. Arising method recently employs a trainer where the organization shall not invite outsider that allow people to learn everywhere and every time. Everyone is in charge of the learning process, instead of responsibility of particular unit within the organization.

Good and effective learning process happens when willingness to learn arises from every one, but institutional force. If the organization makes lecturer and employee attend the events, training for example, without their heart desires, the training will definitely useless. It is true that the personal of organization had fulfilled the obligation, but knowledge and science they receive will fade away. It would be different if lecturer and employee had curiosity and willingness to learn. Purposely, science and knowledge they receive will make them understand, while the training will work effectively.

5. The Problems Faced in Organization Development.

The effort to develop the State Islamic Institute of Tulungagung in organizational learning context encompassing personal capacity development, self reflection process, commitment establishment and strategies to develop the organization still faces some problems: (1) the absence of grand design and road map of organization development, (2) top manager (vice president of college) is incapable of translating the vision of president of college to the middle manager (dean of faculty) and lower manager (department chairman), (3) minimal fund for lecturer and employee capacity development, (4) representative lecturer room to support lecturer performance is unavailable, (5) discussion between lecturers in the same object is not in reality yet, and (6) decision making process is not research- and survey-based process.

Besides, there is still a gap between vision of the top and lower manager in IAIN Tulungagung. This phenomenon has been proposed by David⁴¹ that the organization has not gone through the second barrier, i.e. generalization, collection and dissemination of information. In this case, the top manager ought to do dissemination of information regarding the vision and mission of organization. And the last barrier is leadership when it motivates the learning, whether the leader gives either moral or financial support to lecturers or employees. The backing determines if an organization/institution learn or does not.

⁴¹*Ibid.*

Obstacle in learning process may arise from individual or organization. In individual context, learning constraint arises from some causes as follows: 1) Knowledge of the individual is still kept in his mind, 2) The individual possessing the knowledge does not have desire to share it to other members of organization, 3) Individuals of the organization does not aware of the use of learning, and 4) Individuals of the organization have insufficient time to learn. In context of organization, learning constraints arise from the following matters: 1) Lack of support from the management of organization; the highest decision maker in organization level gives inadequate support to be better, 2) Cold culture in the company; it frequently arises from lack of trust each other and lack of discipline, 3) Opinion stating that learning is not a part of the ways of working in organization, or learning is the responsibility of the Office of Human Resources Management. Therefore, commitment of everyone and ability of learning are important to construct learning culture in the organization. Individual or organization has to change their old paradigm in which learning process was formal activity and that it was the responsibility of certain department. The new paradigm shall be comprehended that learning process is the charge of everyone and it can be performed everywhere.

The organization has to support synergic learning process through the aid of: 1) Contributor, the person who is capable of sharing knowledge, 2) Audience, people who will become listener, 3) Media, methodology, location, or mechanism to hold the learning process.

For quality management, to improve learning quality in the organization, it is necessary to actuate the following matters: (1) Personal and professionalism development; (2) Inter personal relationship; (3) Managerial effectiveness; and (4) Organizational productivity. Edward Deming states that it is around 90% problem arising in the organization is common problem (poor system) and it is only 10% among them is human-related specific problem. Many managers misinterpret such data; they suppose that if they correct the structure and system (program), human-related problems (program maker) will disappear. In fact, if someone is capable of solving 10% problems, the others will be solved as well. Why? Because human is the program maker, and they utilize structure and system to disclosure their characteristic and capability.

STAIN Kediri then faces some problems as the consequent of: (1) leadership transition, (2) conflict of interest that affects incredibility to the leader, (3) minimal land to expand the area of college, (4) lack of educational equipments and infrastructure, and (5) limited funds to improve college's human resources.

Kaplan and Norton states that organization needs to build infrastructure that will help it supporting long-term learning and development.⁴² Three significant sources to gain the development and learning

⁴² Kaplan, R. S. & Norton, D. P. *The balanced scorecard*. (Massachusetts: Harvard Business School Press. 1996). p. 32.

are employee capability, the power of information system and motivation, empowerment and alignment. Further, Senge suggests that in purpose to realize the learning, facilities must be a necessary.⁴³ The facilities are guiding ideas, theory, method and equipments, and innovation in infrastructure. Espejo emphasizes the importance of well structured organization that will allow the development of effective communication system.⁴⁴ Furthermore, individual can learn independently in organization. High learning capability in individual level will not automatically produce high organizational learning since it depends on the organizational factors encompassing the process. The factors are organization structure and leadership. Based on various LO models and its explanation, it can be concluded that learning works well if functional organization is transformed into team work. This structural change aims at creating learning climate in organization. Besides, the management has to provide opportunities to make learning take place. Purposely, it will lead to attitude and behavior changes of members of the organization. Learning will exist if there is consensus. Conversely, when a team has too high cohesiveness between members, learning process will be hard. Effective learning requires the presence of mental model diversity among team members.⁴⁵

In addition to the factors affecting LO, hereafter are factors obstructing LO. According to Thomas, some factors can obstruct LO, they are 1) unavailability of chance to hold dialog, 2) organization tendency to collect information, but the information is not well-employed after all, 3) organization tendency to maximize man power, instead of "man power improvement and development", and frequently, 4) action is carried out at times of crisis, instead of developing preventive action.⁴⁶ Marquardt and Reynolds, whereas, state that obstruction of LO are bureaucracy, competitive climate, control, poor communication, resources empowerment, strict hierarchy, and size of organization.⁴⁷ For public organization, the obstruction faced by implementation of LO are bureaucratization and professionalization.

Besides, mindset and culture of quality are problems of LO too. According to Juran, there are some focuses in the research as follows: (1) Some locations do not function well as they are meant to build, (2) Responsibility neglect conducted by management, (3) Executives seems like forget about the customer, (4) Unsure about what has to do regarding the quality, (5) Contradictory strategy— low cost and customer satisfaction, (6)

⁴³ Senge, P.M. *The fifth discipline: The art & practice the learning organization*. New York: Currency Doubleday. 1990). p. 4.

⁴⁴ Espejo, R. *Organizational Transformation and Learning; A Cybernetic Approach to Management*. (West Sussex: John Wiley and Sons. 1996). p. 14.

⁴⁵ Heijden, v.d.K. *Scenarios: The art of strategies conversation*. (West Sussex: John Wiley & Son. 1996). p.16.

⁴⁶ Thomas, C.C. *The Future of The Organization: Achieving Excellence Through Business Transformation*. (London: Kogan Page. 1997). p. 144.

⁴⁷ Marquardt, M. & Reynolds, A. *The Global Learning Organization*. New York: Richard D. Irwin Inc. 1994). p.127.

Strategy improvement with minimum means to achieve the goals, (7) Lack of adjustment between goals and strategies, (8) Focus of attention in production cost vs. quality improvement, (9) Weakness in planning capability, (10) Lack of either knowledge or process control, (11) Lack of monitor to fast and alternating macro-social or economic aspect since the two aspects can affect the success in the future, (12) Performance must not be attached to customer satisfaction, (13) The absence of internal capability to make the organization effective, (14) It shall not mix walk of life with strategy.⁴⁸

Frequent questions arising among businessmen are that what kind of organizational culture shall be constructed to create harmonious organization climate to boost the success of organizational performance for sustainable higher education? Then, how to construct such organizational culture? Answering both questions is not simple. Based on various literatures discussing organization, there is no different views, even none of writers write comprehensively about the most appropriate organizational culture model for an organization. In general, some writers only state that model and strategy to create organizational culture is situational, and it depends on the will and commitment of the actor of organization (owner, manager, and employee) in managing institution.

According to Shein in Lako,⁴⁹ initiative and encouragement to form and build organizational culture shall come from the leaders because they have the greatest potential to affix and strengthen cultural aspects by means of five main mechanisms, they are:

- a. Attention means leaders may speak out their priorities, values and focuses of attention through questionable, measurable, commendable, laudable and criticizable choices. Most of communication takes place during monitoring and planning activities.
- b. Reaction to crisis means crisis has significant effect on organizational behavior since emotionality to the crisis can raise potential to learn organizational values and basis of assumption.
- c. *Role modeling* means that the leader can communicate values and expectation through their own action.
- d. *Allocation of rewards* means the criteria applied to allocate the reward such as salary increment or promotion regarding leader- and organization-based assessment.
- e. *Criteria for selection and dismissal*, where the leader can affect culture by recruiting people with particular values, skills or natures, or the leader can promote people to the authority.

Further, Lako proposes an ideal organizational culture model for organization. The organization must have at least two characteristics:

⁴⁸ Juran, J.M & Blanton G., *Juran Quality Handbook*. Fift Edition. (New York: McGraw-Hill Company. 1999).p. 6.

⁴⁹ Lako, Andreas. *Kepemimpinan dan Kinerja Organsasi: Isu, Teori, dan Solusi*, First Edition, (Yogyakarta: Amara Books Publisher, 2004). p. 53.

- a. Strong means that the organizational culture established and developed has to bind and affect individual in the organization (owner, manager, and employee) for goal congruence of organization's objectives.
- b. Dynamic and adaptive means that the organizational culture established shall be flexible and responsive to the dynamic of organizational internal and external environment such as the demand from external stakeholder and changes in legal, economy, social, information technology and so forth.⁵⁰

Conclusion

Building the LO in a higher education takes uneasy effort. *First*, the effort to expand the personal capacity of the faculty and staff in achieving the desired result of the institutions. In order to expand the personal capacity to achieve maximum work, the institution have to encourage and facilitate each faculty and staff to: (1) complete his/her study, doctoral degree for the educators and magister degree or even doctoral degree for the employees or staffs; (2) actively engage in workshops, trainings, and seminars; (3) attend shortcourses (short study provided for the lecturer to study overseas); (4) add the lecturer with priority those who have passed doctoral degree; (5) conduct a research either by using the personal funding, DIPA (Budget Execution Document) funding, DIKTI (the Directorate General of Higher Education) funding, or outside funding; and (6) establish a MoU with overseas colleges.

Second, in the process of self-reflection and improve self-image to the outside world, both institutions in which the study was conducted does not have any standard instrument used as a tool to reflect and improve their self-image to the outside world. At the contrary, they secretly conduct an informal evaluation of the activities carried out through: (1) doing strategic plan to see the achieved targets that have set before; (2) measuring the internal shortcomings compared to other universities; (3) looking at other institutions both as a benchmark and/or competitors; (4) reviewing the report from the Quality Assurance Agency (LPM); (5) conducting self-evaluation for each program of study; and (6) retaining the advice and input from the output user (consumer).

Third, establishing a strong commitment of the faculty and staff through: (1) Minimizing the frictions among groups; (2) Leaders are actively involved in every activities; (3) Establishing a family or warm atmosphere in the institution; (4) Creating a conducive atmosphere among individuals; (5) Establishing a good communication between superiors and subordinates; and (6) Leaders providing an example and becoming role model for his subordinates.

⁵⁰*Ibid.*, p. 54.

Fourth, in order to make the institution larger, both institutions need good strategy to change the institution. It is done by: (1) Motivating the members to increase their sense of belonging to the institution; (2) Utilizing an open forum through formal meetings; (3) Communicating the vision through mass media; (4) Providing the freedom for each individual to express his thoughts; (5) Motivating the educators or faculty by clustering the lecturers with the same educational background; and (6) Performing small discussion of each department to measure its strengths and weaknesses.

Fifth, in developing the organization, there are some problems or obstacles which appeared. They are: (1) The absence of a grand design and roadmap development agencies; (2) Top manager is still not able to translate the vision of leadership at the middle manager (dean of faculty) and low manager (head of department); (3) The lack of a budget to develop the capacity of the faculty and staff; (4) The absence of a representative faculty room to support their performance; (5) There are no discussions among lecturers who have the same educational background; (6) The decision making that is not based on the result of the research and surveys; (7) leadership problems; (8) The conflict of interest that impacted on distrust to the leader; (9) The lack of land for campus expansion; (10) Lack of educational facilities; and (11) Limited funding for human resource development.

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