Learn, Change or Perish: A Paradigm Shift about Organisational Structure in the Public Sector Organisation of Bangladesh

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Abstract

Reform is an ongoing process for the organisations to cope with the changing atmosphere. Public sector organisations are ideologically different from its private counterpart, as public sector organisations are more service oriented rather profit orientation. This paper aims to understand the significant structural factors of organisation that has influence on organisational learning in public sector organisation from the context of developing country. This is purely a qualitative study based on inductive approach; it collected the primary data by deploying semi-structured interviews for over a period of more than nine months. This paper reveals several significant factors that have influence on organisational learning in public sector organisation in an emerging country (socio-economic) like Bangladesh by collecting empirical evidence from the study location.

Keywords

Organisational Learning, Organisational Structure, Organisational Change/Reform, Public Sector Organisation
INTRODUCTION

In the age of globalisation organisations must undertake the rapid changes in business conditions towards sustainable future (Tseng, & Lin, 2011). Organisational learning (hereinafter referred to as “OL”) is identified by the researchers and practitioners as the most efficient and effective to adapt and evolve in change process (Maden, 2012). It is an imperative to the human resource development field to develop the notion of OL in the realm of shifting organisational atmosphere in terms of learning dimensions, learning embedded in practice, and the contributions of learning. Consequently, organisational scientist for a long time are emphasising on OL as an incremental and evolving field of debate. In particular, in the last two decades’ interest in OL has been growing, as evidenced by a continuously increasing output in journals and books and an increasing number of reviews of the field (e.g., Argote, 2011; Rashman, Withers, & Hartley, 2009; Shipton, 2006).

Although, lack of competition, rule-obsession, risk-avoidance, and short-termism are regarded as the major reasons of impediment in learning and innovation in public sector organisation (Pick, Stephen, Tummers, & Newton, 2015; Bekkers, Tummers, Stuijfzand, & Voorberg, 2013; Bekkers, Edelenbos, & Steijn, 2011; Pollitt, & Bouckaert, 2011; Vince, & Broussine, 2000). As public administration constitutes political, democratic and legal context. So, many observed that there is a critical nature of innovation in public sector. However, in recent studies organisation scientists particularly in public administration literature, reform in government i.e. new public management, e-governance are the highly chanted terms that depict the idea of reinventing government to provide better service to the people in a cost effective manner. In doing so, they are to be more accountable to their administrative processes (Kivipõld, 2015; Dent, Van Gestel, & Teelken, 2007).

Governments see learning and innovation as the panacea for addressing problems in providing for the basic needs of the general public at affordable cost; which provision would lead to an improved standard of living for citizens (Božic, & Ozretic-Došen, 2015; Kivipõld, 2015; McNabb, 2007). Subsequently, public sector organisations in Bangladesh are not apart from these contemporary influences (Rahman, Islam, Dayani, & Abdullah, 2017; Tahrima, & Jaegal, 2012). Government of Bangladesh has taken several learning and innovation initiatives for an efficient and productive public service (Rahman, 2017; Governance Innovation Unit, 2016) considering tremendous challenges (Tahrima, & Jaegal, 2012).

OBJECTIVE OF THE STUDY

The major objective of the study is to understand about structural factors of organisational learning in the public sector organisation of Bangladesh.

LIMITATIONS OF THE STUDY

The core limitation of this study is focused on a small population and limited number of case. Since the sources of data came from semi-structured interviews with the informants of single public sector organisation, the chosen samples may not fully represent the target population, so generalising the results beyond the actual sample tested must be stated with qualification. This research did not have the generalisability or statistical power of a quantitative investigation.
LITERATURE REVIEW

Organisational structure plays an important role in OL, particularly public sector organisations are accustomed with the bureaucratic nature of organisational structure. Most of the organisational scientist argues that, bureaucratic structure may hinder the OL process in the organisation. But recent reform initiatives in public sector organisations i.e. new public management, new public governance re-conceptualise the structural process of public sector organisation to make it more service oriented, competitive and peoples friendly. OL is regarded as the most sustainable strategy to cope with the ongoing change process. According to Rowlinson (2001), OL is embedded within structures of the organisation. Goh (2003) suggests that organisations need to adopt structures and strategies to encourage learning.

Accordingly, organisation should be designed to encourage learning and reflective action-taking, but this generally means moving away from mechanistic structure (Ollier-Malaterre, & Foucreault, 2017; Fiol, & Lyles, 1985; Morgan, & Ramirez, 1983). In addition, Meyer (1982) suggests that OL can be better fostered by structures that diffuse decision influence, not highly formalised structures. Examining the impact of organisational structure on OL, Nicolini and Menzar (1995) find that rigid structure retards or hinders a learning capability. In a similar vein, Slater and Narver (1995) point out that information sharing effectiveness will be influenced by structural constraints. Some authors also point out that strict rules impede knowledge development or creation (Owen, & Dietz, 2012; Von Krogh, 1998) because they may reduce or restrict the chances for organisation members to freely communicate and interact with one another (Lopez, Peon, & Ordas, 2006).

Thus, new ideas' range may be reduced by a restriction when an organisation is dominated by strict formal rules (Peretz, Fried, & Levi, 2017; Lee, & Choi, 2003). Likewise, recent research suggests the trend is towards a more dynamic view of strategy that is more in tune with the competitive reality of fast-paced change (Chanal, 2004). A number of authors discuss “deliberately emergent” approaches to OL strategy, where managers control the strategic process but allow the content to emerge as a result of evolving situations, input from others and the process of learning (Sminia, 2009; Mintzberg, 1987; 1994). This approach assists in providing both focuses for organisational members while at the same time allowing for responsiveness and adaptability to change (Santos-Vijande, López-Sánchez, & Trespalacios, 2012).

Organisational resources are usually linked to a set of rules and can also function as – a constraint formally created by actors outside the public organisation (Moynihan, & Landuyt, 2009). Most empirical research reports that public sector learning ability is hindered when government are constantly in weak fiscal condition, which in turn lead government or organisation to a reactive mode (Jostein, Johnsen, & Christophersen, 2008). Accordingly, OL requires specialised administrative resources and time, which might be difficult for organisations in weak financial condition to mobilise (Jostein et al., 2008; Moynihan, 2005). Also, Moynihan and Landuyt (2009) recently argue that if organisations have some measure of organisational slack, they are more likely to be able to think proactively, and devote specialised resources and time to learning.

In a similar vein, Poister, Pitts and Edwards (2010) argue that public sector organisations with abundant or slack resources are more likely than those in weak financial condition to take more innovative actions (e.g. adoption of strategic planning), even though governments may take more innovative ways to overcome the problems created by low resources during
fiscal stress. Several empirical studies support this argument. For example, Jostein et al. (2008) find that resources (fiscal situation) are positively associated with OL. More recently, Moynihan and Landuyt (2009) find that adequacy of resources promotes OL. Similarly, empirical studies have found that the availability of resources is associated with agency adoption of performance reforms and greater use of performance information (Moynihan, 2008; Julnes, & Holzer, 2001).

The OL literature suggests that information technology can be considered as an important tool for facilitating OL processes such as knowledge acquisition, knowledge transfer, and knowledge storage (Zheng, Yang, & McLean, 2010; Brown, & Brudney. 2003; Davenport, & Prusak, 1998; Huber, 1990). Huber (1990) notes that the use of information technology may lead to organisational intelligence that is more comprehensive, timely, available on demand (in cited in Brown, & Brudney, 2003, p.32). In terms of OL processes, Alavi and Leidner (2001) assert that information technology increase knowledge transfer by extending an individual’s reach beyond formal communication lines. That is to say, information technology improves communication by blurring the boundaries within organisation and increasing possible relationships’ range beyond hierarchies (Nieminen, & Hyytinen, 2015; Marquardt, 2002).

For example, computer networks, electronic bulletin boards, and discussion groups promote dialogue – between the person seeking knowledge and those who may have access to the knowledge (Alavi & Leidner, 2001, p. 121). Furthermore, information technology based on computer-mediated communication may increase knowledge creation quality by enabling a forum for constructing and sharing beliefs, for confirming consensual interpretation, and for allowing expression of new ideas and innovation which can improve new service dimension in public sector organisation (Agolla, & Van-Lill, 2016; Fernando, Wah, & Shaharudin, 2016; Hyytinen, & Toivonen, 2015; Lewrick, Chen, Raeside, & Omar, 2012; Alavi, & Leidner, 2001). By building an extended field for interaction among organisational members for sharing ideas and information, and for creating dialog or contact, information systems may enable organisational members to arrive at new insights and more accurate interpretations than if left to decipher information on their own (Torabia, Kyanib, & Falakinia, 2016; Alavi, & Leidner, 2001).

Under the current public management reform efforts, performance management systems such as strategic planning, performance based budgeting, and benchmarking, focus on using performance information to make better decision to improve performance of organisation (Rajala, Laihonen, & Vakkuri, 2017; Moulang, 2015; Srimai, Damsaman, & Bangchokdee, 2011). Performance measurement is beneficial for top-level management ranging from producing performance reports to implementing strategy to creating a platform for strategic learning and cooperation (Appuhami, 2017; Chenhall, Kallunki, & Silvola, 2011; Abdul-Khalid, 2010; Kober, Ng, & Paul, 2007; Atkinson, 2006; Mahama, 2006; Kloot, & Martin, 2000). Hence, performance measurement generating performance information is core element for successful operation of performance management systems (Laihonen, Jääskeläinen, & Pekkola, 2014; Andrews, Boyne, Law, & Walker, 2011; Jimenez-Jimenez, & Sanz-Valle, 2011; Pollitt, 2006). This performance measurement can serve as the basis for OL (Auluck, 2002). In a similar vein, Behn (2003) claims that one of performance measurement purposes is to learn: why is what working or not working (p.592).
In addition, Kravchuk and Schack (1996) emphasise performance measurement as a tool to help government agencies or organisations better understand their processes and outcomes and to allow for a holistic, integrated analysis of the organisation’s goals and objectives in relation to its current performance in the context of other internal and external conditioning factors. The articulation of individual goals through the performance management system is an important aspect contributing to successful implementation of OL strategy (Hammerschmid, Van de Walle, & Stimac, 2013; Bisbe, & Malagueno, 2012; Brudan, 2010). In fact, if there is a disconnection between the OL strategy and any of the human resource management subsystems – such as performance management, rewards and recognition, or career progression – then there are likely to be problems with strategy implementation. Indeed, some performance and rewards management systems, such as those based on time billing, are seen as potentially incompatible with implementing components of an OL strategy, such as workplace learning and human resource development strategy (Jurnali, & Siti-Nabiha, 2015; Hall, 2011; Watson, & Harmel-Law, 2009; Burgman, & Roos, 2004).

One OL issue that potentially ties all the other ones together is communication. Communication will be important in contributing to minimising negative impacts of organisational structural arrangements, developing confidence in management, shaping culture, and the setting and articulation of goals through the performance management system (Brudan, 2010; Atkinson, 2006; Schutz, & Bloch, 2006). Communication patterns and information-sharing processes in organisations unfortunately can just as easily act as barriers to, as they can facilitators of, the implementation of strategy (Atkinson, 2006). In order to prevent such barriers arising, effective and open communication and information-sharing processes need to be utilised (Siciliano, 2016; Atkinson, 2006; Schutz, & Bloch, 2006). This includes providing opportunities for dialogue and feedback; taking steps to avoid information overload; and recognising and using various communication channels, including both formal and informal information-sharing processes, to ensure sharing of both tacit and explicit knowledge (Burley, & Pandit, 2008; Yeo, 2007b; Atkinson, 2006).

Likewise, organisational communication regarded as an analytic tool for investigating the OL process. With the communication term, it is not referring to interpersonal communication but to the practice of communicating as a routine organising activity (Kellogg, Orlikowski, & Yates, 2006; O’Tolle, 1997). According to Gherardi and Strati (2012), the organisational communication is regarded as an essential factor of the organising process of organisational texture by looking at an organisation in order to understand if an OL process occurs, it is expected to observe a change on organising processes and on the network structures (Addicott, McGivern, & Ferlie, 2006). The focal point will be the origin of change project and its development. Created by the collective construction and definition of the organisational practices is an emergent entity of the organisation. The learning process is situated on social and interactive dimension (S’kerlavaja, Dimovskia, Mrvarb, & Pahor, 2010; Yanow, 2003), but not only. In the same time the learning is conceptualised as process and result of organisational communication (Gherardi, & Strati, 2012).

**PARADIGM SHIFT IN PUBLIC SECTOR ORGANISATION OF BANGLADESH:**

This empirical study explores several new findings using phenomenological research approach. The researcher conducted several in-depth interviews to explore the rich data from research location. This research was based on a single public sector organisation case study. Informants of this study were purposively chosen for the richness of the data. The researcher
found that the changing nature of public sector organisations is significant in terms of several reasons, most of the informants argued that the paradigm shift in public sector organisation has bring several changes in their way of thinking. The structural factors are obvious in this regard, their argument found parallel along with the previous studies. However, most of the previous studies were conducted in western context. This study reveals some unique issues of contemporary public sector issues, which are significantly distinctive than its private sector counterparts.

Informants felt that flexibility when approaching OL was important in a number of ways. They argued that to move forward, organisations need to develop flexibility skills in the form of a flexible mind-set that is open to change and innovation. They also indicated that there is a need to be flexible work atmosphere in terms of being responsive to the operating environment in order for the OL to have the desired impact. In comparison to the other aspects of OL, this component was considered to be of moderate importance in contributing towards the successful implementation of the desired reforms through OL. They also informed that flexible atmosphere can be a cornerstone for better OL towards successful change implementation. Informants identified that degree of flexibility is one of the important aspect of OL that strongly influences the operating environment is the that is desirable in terms of the degree to which the organisation is best suited to a more deliberate or emergent strategic approach. Contemporary change processes bringing new kind ideas in public sector organisation, so most of the informants are agreed that flexible working environment in terms of OL can bring fruitful changes within the organisation.

Informants endorse organisational resources as one of the important element which has great influence on OL. Particularly, they argued that the financial capability of public sector organisation is one of the determining factors for OL. Organisational resources helps to take decision within the organisation, as employees have the learning capability to gather knowledge about resource to get a clear idea towards setting organisational goals and performance. In this way they can perform in a systematic manner. Informants in this study mentioned that, organisational resources are the indicator for organisational capability. Particularly, it is related to organisational budget and expenditure control mechanism. In public sector organisation, organisational resources are related and sometimes maintained by the government as the organisation may not have such resources by themselves.

Information technology has become the cornerstone for OL, as this is the age of technology. Technology makes OL more versatile in terms of time, organisational intelligence; it enhances knowledge creation and dissemination capability of the organisation. Most of the informant of the study emphasises on information communication system as one of the major component of modern workplace, as it has become an imperative to be a competent employee in public sector organisation. Due to the advancement of electronic governance system the government has initiated ICT based public service for better performance of the public sector organisation. Information communication system is one of the key sources of OL in the digital age. Most of the informants highly recommend information communication system as major area of OL.

Informants felt alignment between OL and performance management should be made in a number of ways in order to successfully implement strategy around the desired reforms. These included: aligning performance agreements to strategic plans and supporting these with plans for the required learning; basing learning and development plans on capabilities
required to achieve outcomes; and developing skilled people managers who can effectively manage performance conversations. Since strategic planning is often done on an annual basis, it allows managers to use the performance data they collect to assess how well programs are working and goals and objectives are being achieved. A regular system of planning, measurement and assessment should contribute to a culture and practice of learning about an agency’s work and processes.

Informants felt communication processes should be adapted in a number of ways in order to successfully accomplish desired reforms. These included having in place strategies to maximise understanding and relevance for stakeholders, including two-way communication processes and contextualised, translated, targeted messages. Informants also felt it was important to select the right communication channels and to consider the most appropriate timing for messages. In comparison to other OL components, this one was considered to be of most important in terms of contributing towards the successful strategic learning process around the desired reforms, with four out of the thirteen respondents nominating this component as most important and no respondents nominating this as least important. In public sector organisations, organisational communication structure mostly depends on its hierarchical setup. But public sector is not isolated in change mechanism, due to several reforms public sector organisations also changing dramatically. Proper communication can mitigate the negative impacts organisational rigid structural arrangement.

In this empirical research informants unveil some new issues on structural arrangements that have enormous influence on OL. Involvement in strategic process is one of the influential components of OL. Informants believe that this aspect of OL can influence employee commitment towards organisational objectives and it can build the environment of trust among the management and employees. Particularly, in public sector organisation it is rare to have employee involvement in strategic process but several reforms in public sector make this familiar to the public sector employees. Informants argued that, involvement in strategic process of the organisation can increase OL. It helps them to make better decision for the better performance. This kind of environment make a bridge between individual career developments through engaged in knowledge creation process to organisational development as a whole. This is the way, the organisation can enhance meet the gap between strategy formulation and implementation.

Informants of this study mentioned that a new kind of initiatives has been taken in their organisation to promote participatory decision making. Learning forum is such kind of initiatives taken by the management to make sure every layer of organisation can take part in strategic process by sharing their ideas. This kind of initiatives paves the way of learning and innovation in this public sector organisation. Several informants of this study show their support on learning forum, which is initiated under Governance Innovation Unit project in the public sector organisations to promote learning and innovation for sustainable development.

CONCLUSION

This study reveals some new finding on OL in public sector organisation. The changing public sector organisations are prone to accept new ideas through learning. Recent government initiatives of government to make public sector more people oriented and innovative, organisations are now focusing more on learning perspective as part of their strategic setup. Traditional ideologies are being replaced by contemporary and forward looking ideas to make these organisations more efficient in terms of performance to achieve the organisational goals.
References


