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# Correlation between organizational learning and employee productivity in the gulf cooperation council

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## Abstract

This article attempts to examine the relationship between organizational learning and organizational learning in the Gulf Cooperation Council. The study was conducted through an empirical research design; a survey method was employed and the study population comprised 15 banks in Oman. The research believes that the result of this study may be inferred to all GCC member countries. The researchers find that there is a strong, statistically significant positive relationship between organizational learning and organizational performance. In conclusion, organizations that invest in organizational learning reported improved employee productivity in Omani Banking Industry.

**Keywords:** Learning, Banks, Organizational Performance, GCC.

## Correlación entre el aprendizaje organizacional y la productividad de los empleados en el consejo de cooperación del golfo

### Resumen

Este artículo intenta examinar la relación entre el aprendizaje organizacional y el aprendizaje organizacional en el Consejo de Cooperación del Golfo. El estudio se realizó a través de un diseño de investigación empírica; se empleó un método de encuesta y la población del estudio comprendía 15 bancos en Omán. La investigación cree que el resultado de este estudio puede inferirse a todos los países miembros del CCG. Los investigadores encuentran que existe una relación positiva

fuerte y estadísticamente significativa entre el aprendizaje organizacional y el desempeño organizacional. En conclusión, las organizaciones que invierten en aprendizaje organizacional informaron una mejora en la productividad de los empleados en la industria bancaria de Omán.

**Palabras clave:** aprendizaje, bancos, desempeño organizacional, GCC.

## 1. INTRODUCTION

Countries in the 21<sup>st</sup> century continue to witness significant institutional, economic and technological changes. There is a dramatic shift towards knowledge economy as argued by Powel & Snellman. Competition among organizations is today determined by who has more creative and innovative ideas rather than only their financial muscles. The increasingly competitive environment has forced companies to create innovative ideas to improve their competitive advantage. Companies are promoting the learning environment in their workplaces for this reason. Learning can be viewed as a measurable change in how people behave due to experiences, study or instructions. Learning involves a measurable change in behavioral tendencies. Scholars argue that learning is a process that involves finding knowledge, creating knowledge, using knowledge and sharing knowledge and leads to change in behavior. Learning can, therefore, be viewed in both an individual and organizational context.

Organizational learning is a process through which stakeholders contribute their knowledge collectively and individually to achieve the goals and missions of organizations. Organization learning is thus of great importance in helping organizations change with the changes in their environment. The ability of a company to acquire knowledge and

innovating new ideas is a valuable asset for the survival of companies in this dispensation. Gulf Cooperation Council member countries believe that organizational learning can influence employee performance. The discovery of vast oil reserves in GCC has allowed for unmatched developmental achievement in the region. These countries relied on financial surplus from the oil business to attract improved employee skills in organizations. However, it is important to note that there is a lack of sufficient literature explaining the relationship between organizational learning and employee performance in the GCC. This study is an attempt to close this gap by illustrating the correlation between employee learning and employee performance. The study is based on a comprehensive empirical study that assesses the organization learning in 15 banks in Oman.

## **2. LITERATURE Review**

- Organization learning is a concept that explains the growth in the ability to think on ways to improve productivity, through which continuous improvement of the organizations' ability is achieved.
- Scholars and management experts have discussed the concept of organizational learning for close to half a decade. However, the topic is gaining more concern today owing to increased competition in the business environment. The current business environment is characterized by many changes and challenges hence the need for organizations to increase their ability to learn and adapt with the changes. Therefore, organizations with a higher affinity for

organizational learning would enjoy a competitive advantage over their peers in the market.

- Dawes categorizes organizational learning into three types. These types include hereditary learning, experimental learning, and vicarious learning. Hereditary learning is developed by the organization founders and passed down to new members in the organization. Experimental learning refers to learning obtained through experience either on purpose or by chance. Vicarious learning refers to the learning which is gained by individuals who are outside the organization.

- According to Hashemi, there are nine contributing factors to organizational learning. These factors include; team learning, systems thinking, ideal and vision commons, experimenting new approaches, learning from others, mental models skill and domination personals and knowledge transfer (Odor, 2018).

- Organizations, therefore, put in great efforts in attempting to improve the productivity of their workforce. Sels et al. (2006) defines employee productivity as a review of the efficiency of an employee or a group of employees. Sels further argues that employee productivity has a direct influence of the profits gained by an organization.

- There are many studies that have been carried out on the assessment of employee productivity. However, the results from these studies according to Nollman (2013) can be challenging to

compare due to different models used in the studies. Moreover, there is a general lack of standardized ways to assess employee productivity. Sharma and Sharma (2014) argue that employee productivity is influenced by the time an employee is present at their job posts in addition to their mental presence and efficiency in delivering their duties at the job post. Therefore organizations must address the issues of time and employee mental presence to increase the productivity of their workers.

- According to Zohair training is an important aspect that influences employee development since employees do not develop the necessary skills and competencies at ones. These skills are gained through continuous training, exposure and experience. Such knowledge gained from the training is shared within the organization hence leading to the increase in the value of organizational knowledge gained by the organization.

- Previous empirical studies have highlighted a strong correlation between learning and employee productivity. Farooq & Aslam empirical research shows a positive correlation between employees training and the productivity of the employee with a correlation coefficient ( $r$ ) =0.233. Various researchers in Oman have identified training as a way of building employee competence in meeting the goals of their organizations.

- Scholars such as Williamson (1985) however were in support of compensating differences theory. The scholar argues that employees who work in good working conditions receive higher

compensation compared to those working in undesirable environments. In other words, employees would require better compensation for tasks that might demand extra work efforts and demands. Through organizational learning, Banks in Oman are continuously working towards improving working places in their work places to lower the compensation demands.

### **3. METHODOLOGY**

The specific objectives of this research study were to determine the state of organizational learning within the banks in Oman and to examine the correlation between information acquisition, employee productivity, information storage, information sharing, age, employee productivity and the contribution of organizational learning to employee performance improvement within Omani banks.

#### *3.1 Research design*

The research study mainly employed a questionnaire approach and partly relied on the quantitative approach. A survey method was chosen because it would help discover learning factors that are common across the commercial banks and hence provide the basis for generalization about the research study objects. The researchers intend to understand the behavior of employees when they are subjected to organizational learning. The research design was determined to be appropriate in this study because the variables identified were measured across 20 commercial banks in Oman.

The variables were descriptive and qualitative in nature hence the researchers relied on descriptive and inferential statistical techniques to analyze the data. The cross-sectional study design enabled the researchers to collect data relied upon to make inferences concerning the entire population of the GCC which was the main topic of study.

### *3.2 Sampling*

The researchers employed purposive sampling as a specific target group of participants took part in the study. The sample size was 200 employees from 20 banks with managerial roles who had spent a minimum of 5 years working as Bankers in Oman or any other Bank in the GCC.

### *3.3 Data collection*

The primary data was relied upon to arrive at inferential conclusions in this survey. The primary data was gathered by means of self-administered questionnaires sought to collect employee views on their perception of organizational learning and how it improves their performance. The secondary sources which include books and journals were obtained from online and public libraries.

### *3.4 Limitations of the Study*

The study was intended to cover the whole GCC member countries. However, due to financial and time constraints, the researchers settled on a case study model. Moreover, the researchers relied on convenient sampling to identify the respondents for the questionnaires. Only 150 questionnaires were dully filled and hence relied upon in this study. This was, however, a small sample space given hundreds of banks and thousands of banking employees in the GCC. Therefore, this number cannot be claimed to be representative of the perception of employees on organizational learning in all GCC member countries. Additionally, the fact that the study only focused on Omani banking industry may deny the potential application of this study in other sectors of the GCC economy such as the oil industry, tourism and real estate's which are great pillars in the economy of Oman. Moreover, the study over-relied on employee perception of their productivity to arrive at the conclusions of this study. However, some employees may not respond to such questions objectively and the researchers had no technical capacity to identify such employees.

## **4. DATA ANALYSIS**

The gathered data was evaluated and analyzed by using descriptive statistics and inferential statistics. A total of 200 questionnaires were submitted to respondents drawn from all the 20 commercial banks in the Sultanate of Oman. All the response from the participants was visually reviewed for completeness. However, the researchers were only able to receive back 150 questionnaires that were fully completed within the

strenuous time limit. The response rate thus was 75% which was significant (Mugenda 2003). Most of the respondents i.e. 78.7% were male and female respondents were 21.3 percent as shown in Table 1 below.

Table 1: Gender distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	118	78.7	78.7	78.7
	2	32	21.3	21.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

The figure above shows a vivid description of how the gender of the samples was distributed in terms of cumulative percentage. The total number of the samples was 150 based on the number of questionnaires that were fully filled and returned to the researcher.

*4.1.1 Descriptive Statistics of Indicator Variables*

The raw response data was computed using SPSS to get the relevant descriptive statistics. The value of the indicator variables was calculated as the mean of the constituent questionnaire items. The expected chance score will be 3.0 on a 1-5 scale. At 5% accuracy, this will be  $3.0 \pm 0.15$  bringing the lower limit to 2.85 and the upper limit to 3.15. The resultant statistics are summarized in the tables below.

Table 2: Information Acquisition descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Q 1	150	1	5	3.73	1.016
Q 2	150	1	5	3.01	1.381
Q 3	150	1	5	3.30	1.263
Q 4	150	4	5	4.14	.348
Q 5	150	1	5	3.78	.750
Valid N (list wise)	150				

Source: Primary Data

Q1 to Q5 in the questionnaire sought to assess the perceived information acquisition position of the banking sector according to their employees. Q1 thus addressed the employees' perception of the aggressiveness of their bank in collecting information from their environment. Q2 asked whether the banks only gathered information in response to specific events, problems or crises. Q3 asked the respondents whether their banks extensively monitored their external environment. Q4 asked the respondents whether they agreed that their banks were provided necessary opportunities for individual learning. Q5 asked the respondents whether there were people in the organization who offered necessary guidance on their careers.

Table 2 above shows that Q4 had the highest mean showing that a large majority of the respondents agree on the ability of their banks to provide opportunities for individual learning. The least mean (3.01) was for Q2 which asked whether banks gathered information for specific events, problems or crises. Generally, all the average responses were higher than the expected chance score of 3.0. The next indicator variable

was information sharing situation in the organization. To understand this on the perspective of bank employees, the researchers relied on Q6 to Q16. Q6 asked the respondents to describe their commitment to sharing information in their work places. A high number of the respondents (77.3%) stated that they agreed that they were a high commitment among employees to share information. The results from these Questions were summarized in Table 3 below.

Table 3: Commitment to Information Sharing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	4.0	4.0	4.0
	2	9	6.0	6.0	10.0
	3	11	7.3	7.3	17.3
	4	116	77.3	77.3	94.7
	5	8	5.3	5.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Organization learning depends on the participations of individuals within the organization to generate knowledge. Employees are the greatest source of such information. A high percentage of respondents who were committed to sharing information were therefore a good pointer that banks in Oman and the GCC at large were learning organizations. Q7, Q8, Q10 and Q12 were follow up questions to Q6. The researchers relied on these questions to understand the extent in which knowledge was shared by employees in the banking sector in Oman. Q7 the respondents were asked to state whether they sought different opinions from their colleagues to solve problems in their organization. 65.3% of the respondents agree that they sought different opinions from colleagues to solve problems in their place of work while 11.3% strongly agreed that they sought opinions of

colleagues to solve problems in their organization. Cumulatively 76.6 % of the respondents agreed that they shared knowledge to solve problems in their places of work. Table 4 below provides summary of the response to Q7.

Table 4: Respondents Seek Different Opinions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	7	4.7	4.7	4.7
	2	10	6.7	6.7	11.3
	3	18	12.0	12.0	23.3
	4	98	65.3	65.3	88.7
	5	17	11.3	11.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q8; respondents were asked whether they agreed that their organization constantly benchmarked with their competitors. Benchmarking is one technique that organizations can rely upon to gather information from external participants. 62 percent of the respondents agree that their organization relied on benchmarking to gather information through benchmarking while 24.7% were not sure whether benchmarking took place in their organization or not. The results of the responses to Q8 are summarized in table 5 below.

Table 5: Our Bank Benchmarks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	14	9.3	9.3	9.3
	2	2	1.3	1.3	10.7
	3	37	24.7	24.7	35.3
	4	93	62.0	62.0	97.3
	5	4	2.7	2.7	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q10; respondents were asked to agree whether they shared work-related information with one another or not with their colleagues. 79.3 percent of the participants agree that they constantly shared work-related information with their colleagues. However, a significant percentage (10%) of the respondents and 10.7 % of the respondents disagreed that they constantly shared information related to work in their places of work. Moreover, none of the respondent strongly agreed to the statement. The summary of the results from Q10 are summarized in Table 6 below.

Table 6: Sharing work related knowledge

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	15	10.0	10.0	10.0

	3	16	10.7	10.7	20.7
	4	119	79.3	79.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q12; sought to know whether lessons learned by one group or one department were actively shared to other groups/departments in the organization. 4% of the respondents stated that they strongly disagree that the lessons learned in one department were actively shared in the whole organization. 11.3 % of the respondents were not sure whether lessons from one group were actively shared within the organization. However, a significant number (80%) of the respondents agreed that information learned in one department or group in the banking environment was actively shared with other employees within the organization. The summary of the responses to Q12 is posed in table 7 below.

Table 7: Information learned in one group actively shared

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	4.0	4.0	4.0
	2	7	4.7	4.7	8.7
	3	17	11.3	11.3	20.0
	4	97	64.7	64.7	84.7

	5	23	15.3	15.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

In questions 11, 13 and 14 the researchers sought to understand the knowledge availability among organizations in the banking sector. Q11 asked the respondents whether they agreed that organization learning information was readily available to employees for use. The summary of the results on Q11 is in Table 8 below. It was determined that 73.3 percent of the respondents agree that information was available in their places of work for learning. Moreover, 9.3 percent of the respondents strongly agreed that information was readily available in banking organizations for learning.

Table 8: Organization learning information readily accessible.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	2.7	2.7	2.7
	2	10	6.7	6.7	9.3
	3	12	8.0	8.0	17.3
	4	110	73.3	73.3	90.7
	5	14	9.3	9.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q13 asked the respondents whether they knew how to access information that they might need from the organization. The results are shown in Table 9 below. The results did not show special weight towards whether or not the respondent agreed or not. 48.7 percent of the respondents disagreed whether they knew where to gather information in the organization while 44% of the respondents agreed that they were aware of where to generate the information they required from the organization. Therefore the number of respondents who agreed and those who did not agree were approximately evenly distributed.

Table 9: Respondents know where to access information from the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	24	16.0	16.0	16.0
	2	49	32.7	32.7	48.7
	3	11	7.3	7.3	56.0
	4	55	36.7	36.7	92.7
	5	11	7.3	7.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q14; Asked whether employees agreed that the banks had made available files and databases to their employees to refer on as means of generating information to carry out their duties effectively. The results were summarized in table 10 below. From the table, we see that 52.7% of the respondents agreed that their organizations stored important information in databases and files for future references. However, 12.7% of the respondents were not sure whether or not their organizations stored important information in files and databases for future references.

Table 10: Knowledge stored in files and databases for references

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	11	7.3	7.3	7.3
	2	41	27.3	27.3	34.7
	3	19	12.7	12.7	47.3
	4	79	52.7	52.7	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Q16 asked the respondents whether they believed that their organizations learned from their mistakes and made the necessary corrections. The results from these questions are summarized in table 11 below. The researchers determined that 64.7% of the respondents agreed that their organizations learned from their mistakes. Only 1.3% of the respondents strongly agreed to this statement. Moreover, 10% and 10% strongly disagreed and disagreed to this statement respectively.

Table 11: Our Organization learns from our mistakes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	10.0	10.0	10.0
	2	15	10.0	10.0	20.0
	3	21	14.0	14.0	34.0
	4	97	64.7	64.7	98.7
	5	2	1.3	1.3	100.0
	Total	150	100.0	100.0	

Source: Primary Data

Questions 17 to 22 assessed employees' perception of their productivity with respect to the organizational learning situation in their workplaces. Q17 asked the view on the status of the current employee

productivity in their banks. Q18 respondents were asked to what extent they agreed with the statement that their work organization was efficient. Q19 asked the respondents to what extent they felt committed to their work places. Q20 asked the respondents to what extent they believed that the customer complaints had reduced. Q21 asked the employees to what extent they were prepared to go an extra mile to meet the organization's productive needs. Finally, employees were asked to what extent they believed the number of customers served by their organization increased. The results were summarized in Table 12 below.

Table 12: Employee productivity

	N	Mean		Std. Deviation	Variance
	Statistic	Statistic	Std. Error	Statistic	Statistic
Q 17	150	3.88	.090	1.105	1.220
Q 18	150	3.69	.079	.963	.928
Q 19	150	3.38	.081	.988	.975
Q 20	150	3.31	.086	1.049	1.100
Q 21	150	3.43	.083	1.012	1.025
Q 22	150	3.90	.055	.673	.453
Valid N (list wise)	150				

Source: Primary Data

The mean responses for all the questions were found to be greater than the expected score of 3. The highest mean was Q22 which asked whether the employees believed that the number of employees they served had increased.

4.1.2 A Correlation Matrix of the indicator variables

Table 13 provides a summary of a correlation analysis of employee productivity and information acquisition. We realized that there is a positive correlation between employee productivity (EP) and information acquisition (I\_A). The Pearson Correlation coefficient is 0.115 which shows a weak correlation between the two variables. Moreover, the two-tailed p-value for the two variables is 0.161. The test statistic is not significant at 0.05 significance level. Hence we do not reject the claim that there is no correlation between information acquisition in an organization and employee productivity.

Table 13: Correlation between employee productivity and information acquisition (I\_A)

		I_A	E_P
I_A	Pearson Correlation	1	.115
	Sig. (2-tailed)		.161
	N	150	150
E_P	Pearson Correlation	.115	1
	Sig. (2-tailed)	.161	
	N	150	150

Source: Primary Data

The correlation between employee productivity and information sharing and storage (I\_S) is summarized in Table 14 below. The results show a weak positive correlation between employee productivity and I\_S. The correlation matrix is 0.185. The p-value is 0.23 which is significant as 0.05 levels. Hence we reject the hypothesis that there is no correlation between information sharing and storage and employee productivity.

Table 14: Correlation between employee productivity and information sharing and storage (I\_S)

		E_P	I_S
TEP	Pearson Correlation	1	.185*
	Sig. (2-tailed)		.023
	N	150	150
I_S	Pearson Correlation	.185*	1
	Sig. (2-tailed)	.023	
	N	150	150

Source: Primary Data

Table 15 provides a summary of a correlation between employee age and employee productivity. The result shows a positive correlation between age and productivity in banks. The Pearson Correlation coefficient for the two variables is 0.197. This shows a weak positive correlation between the two variables. The p-value for the correlation is 0.015 which is significant at 0.05 significance levels. Therefore we reject the null hypothesis that there is no correlation between age and employee productivity.

Table 15: The Correlation between employee productivity and age

		E_P	AGE
E_P	Pearson Correlation	1	.197*
	Sig. (2-tailed)		.015
	N	150	150
AGE	Pearson Correlation	.197*	1
	Sig. (2-tailed)	.015	
	N	150	150

Source: Primary Data

4.1.3 Regression Analysis

The regression analysis is summarized in table 16 below (Borg & Gall, 1996). The dependent Variable is employee productivity while the independent variables were hypothesized to be age, information acquisition and information storage and sharing.

Table 16: Regression Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.212	3	.404	2.652	.051 <sup>b</sup>
	Residual	22.250	146	.152		
	Total	23.462	149			

a. Dependent Variable: E\_P

b. Predictors: (Constant), I\_S, AGE, I\_A

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.147	.314		13.216	.000
	AGE	.011	.031	.029	.348	.728
	I_A	.020	.062	.029	-.328	.743
	I_S	.192	.078	.210	2.451	.015

The resultant regression line would thus be  $E_P = K + b_1Age + b_2I_A + b_3I_S + E$   
 $E_P = K + 0.11(age) + 0.02(I_A) + 0.192(I_S) + 0.51$

#### *4.2 Discussion of Results*

The study focused on determining the possible correlation between employee learning and organization productivity. The researchers developed a conceptual framework that determined two common aspects of all types of organizational learning; information acquisition and information sharing and storage. The first part of the analysis was to carry out a brief demographic analysis of the sampled data. It was determined that 78.7 percent of the respondents were male while 21.3 percent were female. This result was in line with previous demographic research carried out by other scholars on the gender definition of Omani banking industries. Scholars such as Onyango (2012) argued that there was no gender equity in the employment of women in financial institutions in the GCC.

Secondly the researchers reviewed the age description of the sample. It was determine that 15.3% of the respondents belonged to 0-25 year's age group. Moreover 36.0 percent of the respondents belonged to the 26-35 years age group. While 20.7% of the respondents belonged to the age bracket 36-50 years. Finally, 28% of the respondents fall in the age bracket of over 51 years of age. The least percentage of the respondents fell in the age group of 0-25 years. This could be due to the situation that most bank employees in that age group were at entry levels of their banking career and would not have risen to the management position. However, this study focused on banking employees who had management roles in their institutions.

#### *4.2.1 Organizational learning in Omani Banks*

The study revealed that a high number of respondents appreciated the level of organizational learning in the Omani banking industry. All the average responses from the five questions that were relied upon to review the situation of organizational learning in Omani banks were higher than the expected score of 3.0. This showed that a high percentage of the respondents believed that there was a significant level of organizational learning in their institutions. Moreover, all the respondents agreed that their institutions provided opportunities for individual development other than formal learning.

These findings proved that the Omani banking sector had appreciated the importance of incorporating organization learning as part of their corporate culture. However, for organization learning to succeed it must have a clear value proposition to both employees and the organization at large. Employees need to understand the correlation between organizational learning and their professional goals. Thus studies have shown that ambitious employees interested in growing their careers and furthering the company interests are more sensitive to organizational learning strategies of an organization. Organizations that are able to foster a learning culture will be able to boost employee skills and job satisfaction enabling the workers to meet their set goals.

#### *4.2.2 Correlation between information acquisition and employee productivity in the Omani Banking Sector*

The second objective of this research was to carry out a correlation between information acquisition and employee productivity. To determine this correlation we relied on SPSS to carry out a correlation analysis of the two variables. The Pearson Correlation coefficient was determined to be 0.115. The coefficient of correlation points that there is a weak positive correlation between the two variances. However, this correlation was not determined to be significant at 0.05 significance levels since it had a p-value of 0.161. The researchers could therefore not confidently state whether information acquisition influenced employee productivity or did not. Therefore the results from this study would not be confidently inferred to the whole GCC member countries.

#### *4.2.3 Correlation between age and employee productivity in the banking sector*

The banking sector in Oman is one of the fastest changing sectors in the service industry. The changes in the industry require a great level of information and at times massive experience to help in problem solution. Moreover, organizational learning is an important tool that employees rely upon to innovate new ways of tackling problems in the banking industry. The researchers believed that age comes with experience and that elderly bank employees are exposed the most with banks organizational learning infrastructure. As such employees are more effective in handling their management duties. The result of the correlation analysis proved the belief of the researcher. The Pearson Correlation coefficient for the two variables was determined to be 0.197. This result shows a weak positive correlation between employee age and employee productivity. However, the

researcher's argument of a correlation between age and employee productivity is confirmed. The two-tailed p-value of the correlation between the two variables is 0.015 which is less than the significance level of 0.05. The researchers thus determined that the correlation between age and employee productivity is significant.

#### *4.2.4 Correlation between employee productivity and information sharing and storage*

Based on the conceptual framework developed by the researchers on the basis of literature review, information sharing and storage was believed to be an important component of organizational learning. The researchers sought to determine how it will be able to influence employee production in the banking sector. To understand this phenomenon the researchers asked the participants about their perception on knowledge sharing, whether their organizations stores knowledge and whether that knowledge is accessible in situations of need. Further, participants were asked whether they believed that their organizations were able to rely on the knowledge learned from their mistakes to make better decisions in the future. The results were analyzed using SPSS and summarized in Table 15 above. The results showed a weak positive correlation with a Pearson Correlation coefficient of 0.197. The table further carried out a significance test to assess the significance of this correlation. We determined that based on the sample space and the significance level of 0.05, the results were significant with a p-value of 0.015. Therefore, the researchers confirmed that the correlation between information sharing

and storage and employee productivity had a statistically significant positive correlation.

#### *4.2.5 Correlation between organizational learning and employee productivity*

The researchers modeled a simple linear regression model to determine the correlation between organizational learning and employee productivity. Organizational learning aspects such as information acquisition and information gathering and storage were considered. Moreover, the researchers included employee age in the model since it was determined that age had a statistical significant correlation with employee productivity. To determine the statistical significance of the researchers relied on the ANOVA table included in Table 26 above. The F statistic for the model is 2.652 and it is statistically with  $p=0.05$  at 0.05 significance level. However, a further review of the significance of individual coefficients of the variables points that some variables are not statistically significant. The coefficient of age and information acquisition are not statistically significant in the regression model with  $p=0.728$  and  $0.743$  respectively at 0.05 significance levels. The researchers, therefore, fail to determine their statistical influence in the regression model. The researchers thus propose further review to detect aspects of the two variables that influence their significance to the regression model.

It has stated above that the main reason for carrying out this research work was to find out the level of the correlation between organizational learning in the banking industry in Oman. The researchers

relied on 20 commercial banks that are based in Oman. The banks were used to determine how organization learning influences the productivity of employees in the GCC countries. The researchers relied on the data that was gathered from the employees who work at the management level in banks. Such employees were determined as employees who have worked in the banking industry for a period of fewer than five years. Khan (2012) developed a study whose aim was to determine the correlation between organizational learning and performance in insurance firms. The research is consistent with the research of other studies that were quoted above with the said issue. The results pointed at a significant correlation between organizational learning and employee productivity in organizations based in Slovenia and Croatia. The results further agreed with the results from the initial researchers who argued that there was a significant positive correlation between organizational learning and the performance of companies in institutions of higher learning. The researchers identified that 70 % of the study relied on the study by Norton. Norton and fellow scholars determined that there was an important performance among organizations that provided higher education in Pakistan.

According to the research work that was previously done 73% of the population under survey banking industry in the whole GCC. The findings of the study confirmed the researcher's study that the organization influenced the performance and the perception of employees. This conclusion was confirmed by this research work. Further, the research work from the research study was determined in terms of the percentage level of performance among the banking companies in Oman. The study by the researchers made a confirmation that employee perception would affect employee productivity in an organization. This assumption was

similar to the works of Cummings and Worley. The organizers believed that organizational learning would improve the performance in organizations. Kaplan & Norton (2007) identified that there were research studies that led to financial measures alone and that was not reliable predictors to the performance of the organizations. Further, Kaplan and the research team determined that there studies alone were not determinants for organizational performance.

Kaplan determined the importance of financial measures in carrying out was not sufficient variable that predicts the performance of an organization. The perspective was in conformity of Hernaus et al (2008) who attempted to prove that financial ways of measurement were the weakest route to link organizational and employee performance. The research by the scholars determined that it was not scientifically easy to explain employee performance without discussing employee productivity. The research determined that there were financial and non-financial ways of measuring organizational performance. The financial performance includes an analysis of financial ratios such as the ROE, ROA etc. however; there are non-financial performance measures that are used to predict the variables for organizational learning. The study thus relied on the variables and the variables that were the basis of the study. The researchers also determined that financial methods of measuring performance only contributed to about 43%. However, previous measures determined that non-financial measures contributed to over 57.13 % of the overall performance results. The numeric results were in complement to the conclusion by (Ngugi, 2014). The results were a significant compliment to the findings of Hernaus who argued that organizational performance is wider in terms of concept than financial performance and

profits. Hernaus and his colleagues identified that there were cognitive dimensional changes that were significantly and very strongly influential to the performance of the organizational performance.

The research team agreed that two attributes existed that would lead to improved performance when a company is implementing changes in the changes in organizational situation and environment. The scholars further were in agreement that two variables would lead to improved employee performance in cases where an organization is working on changes that are conditioned to take care of economic turbulence in the environment. On the other hand, the research concludes the training and development that is viewed as the strongest determinant of employee productivity. On the other hand, the research workers in the bank agreed that employee learning and development was the most reliable means of training and development that the researchers relied upon. Employee learning and development was determined as the strongest factor that improves the levels of knowledge, skills, and abilities which in turns will lead to higher employee performance. However, the direct influence of training is not directly explained. Moreover, the correlation between training and development is not directly organized in the workforce. Therefore, the researchers determined a lack of agreement among several studies and the research in this project in reaching a definition of organizational learning which is reliable in predicting organizational performance.

Moreover, the lack of consensus in previous studies that were reviewed by the researchers encouraged us to carry on with this study. The researchers thus were detrimental in ensuring that organizational learning was the most dependable aspect of organizational learning. The results

from the study by Hernaus et al. (2008) revealed that an average of 3.48 agreed that there was synergy. The result was proportional to that of the banking industry in the GCC. The researchers thus observed that the degree of employee involvement and participation in the decision making process and operation was not recommendable. Moreover, the researchers also identified that the level of employee commitment and participation in key decision making in regards to an organization process and operations. This would imply a less motivated workforce which leads to the lowering of the overall performance index of a firm. This view has been shared by Hernaus et al. (2008) who observed that possible lack of communication and employee empowerment led to a lower level of understanding of major problems in the company and the company's strategic orientation, which in turn translated to moderate improvement in the quality of the company's products and services. The overall implication is that improving learning in organizations using effective communication and more organized work and well-coordinated work processes will result in gross improvement of an organization performance (Srivastava & Agarwal, 2014).

The study also found that firms invested more in training and development aspect which contributed most to the organizational learning of companies. However, there was little evidence of integration and optimal utilization of the accrued knowledge, skills and competencies in the higher levels of organizational strategic planning and action. This view was supported by Senge (1990) to the extent that learning, through better knowledge and understanding, facilitates behavior change that leads to improved performance. According to Mohamud (2014), innovation and improvement of products, services and processes will be generated by a

team of re-skilled employees, superior information technology and aligned organizational procedures. These can be realized through continuous efforts on training and development of an organization's workforce. Kontoghiorghes & Bryant (2004) in a survey of the health care industry also demonstrated that learning was an important action lever for building a committed, innovative and competitive workforce. They determined that learning was crucial in the development of the highly trained, knowledgeable and competent workforce. Ultimately, integration into an organization's systems and implementation is key without which, the concept of organizational learning remains just as Kaplan & Norton (2007) puts it, the foundation of strategy.

## **5. FINDINGS**

The purpose of this study was to establish the correlation between organizational learning and employee productivity in the GCC countries. However, due to resources and time constraints, the researchers could not move around all the GCC countries to conduct the survey (Fazlurrahman, 2019). Thus, the researchers settled on a case survey of commercial banks in the Sultanate of Oman. The results the researchers argue can be inferred to all the GCC countries due to their similarities in economic factors. The researchers found from this study that employees appreciated the importance of organizational learning in productivity improvement. This result is consistent with previous studies that identified organizational learning as an important factor in the growth of commercial banks in the (GCC). However, the researchers determined that some aspects of organizational learning such as information acquisition were

comparatively less significant because they showed a significance level of 0.752 based on 0.05 significance level test. Therefore commercial banks in the GCC should endeavor to take into considerations views and opinions of every employee in at all levels. Such actions according to this study would bring forth tangible productive improvement on the work done by employees.

## **6. CONCLUSION**

The research work concludes that there exists a positive correlation between organizational learning and employee productivity. Particularly, the researchers found that there was a positive correlation between factors promoting organizational learning; information acquisition and information storage and sharing, and employee productivity. Moreover, the researchers identified a significant correlation between employees' age and their productivity. This finding may be supported by previous studies that state that generative learning contributes more to employee productive learning. Therefore, one way of improving employee productivity is increasing the level of organizational learning in the banking sector in the GCC. The regression analysis results confirmed that information storage and sharing affect employee performance through its ability to make employees have access to knowledge that would aid them in their duties as well as decision making. The descriptive statistics data showed that all the respondents who participated in this survey accepted that their organizations provided them with learning opportunities to improve their skills and experiences. Moreover, this study finds out that most commercial banks in the Sultanate of Oman embraced organization

learning or aspects of organizational learning. Moreover, the research is important to policymakers who are looking at areas of improving organizational learning within commercial banks in the GCC at large. The study also contributes to the body of empirical studies on the correlation between organizational learning and employee productivity. It should be noted that this study provides empirical data that confirms a model of a positive correlation between organizational learning and employee productivity in the GCC.

## **7. RECOMMENDATIONS**

Based on the analyzed research and the conclusions that we arrived at in the above section, the researchers put forth several recommendations that are contained in this section. These recommendations, the researchers believe can be relied upon by the management in organizations in the GCC to improve their employees and by extension their organizations. Moreover, these recommendations will make it easier to develop clear strategic plans that will ensure employees work in a committed work to help them achieve the organization goals. The researchers recommend that management should actively and appropriately be involved together with their supervisors in the decision making as well as include them in the process of developing and reviewing organizational strategy and policies. This strategy will allow the company to benefit from the knowledge, skills and experiences gained from organizational learning to bring further development and growth to the institution. The need for teamwork and group learning can therefore not be overemphasized and all employees should be encouraged to share their ideas.

This study rightly highlights the importance of learning in increasing the productivity of organizations and employees in particular. Bank managers should encourage their workers to enroll for continuous learning to improve their skills, innovative capability and to expand the organization's knowledge resource. The banking industry in Oman and by extension the entire GCC is currently facing dynamic changes. To survive in such scenarios, bankers must continuously learn to develop new methods of facing new challenges as well as developing new strategies to reach more customers. Such knowledge would, therefore, be a great source of competitive advantage. Motivation is an important factor that influences the productivity of an employee. It would not be practical for an employee who is under-motivated to optimally benefit from organizational learning. Previous scholars have identified those employees who lack motivation in their places of work will likely underperform. Motivation should also be viewed in with respect to employees' personal and career goals. Such strategies would enable the organization to understand strategies that would enable them to motivate their staff and hence make them enjoy the benefits of organizational learning. Common forms of motivation include cash rewards, career development training, flexible working hours and awards. Moreover, organizations should embrace organizational learning. Organization learning encourages sharing and storage of vital knowledge and skills in the organization. It is dangerous for example in scenarios where only one employee has an important skill depended upon by the organization. In that scenario, there might be inadequate resources to train new employees in case the person leaves or becomes compromised by the competition. Banking institutions in the GCC should, therefore, invest in developing a talented workforce. One way of developing a talented

workforce is exposing them to organizational learning so that that they are able to learn in their working environment.

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