SUMMARY

RULLI HENDRIANI. Implementation Learning Organization to Improve PD ABC Performance. Supervised by M. SYAMSUL MA’ARIF and M. JOKO AFFANDI.

PD ABC is the city government owned company that manages traditional market facilities and infrastructure in the Bogor City. The Government of Bogor City expects that PD ABC can maintain its reliability in managing traditional markets and run its business sustainably. To meet this expectation PD ABC needs to develop its learning capacity through evaluation of past mistakes, promoting changes to the work processes, mindset, methods, strategies, organizational structure and service. It is necessary to review how PD ABC applies the principles of learning organization to achieve its goals as well as the learning process of every individual, team and the organization in overcoming the problems and challenges faced.

This study aimed to 1) analyze the implementation of learning organization elements; 2) analyze the influence of learning organization towards improving PD ABC performance; 3) analyze the influence of leadership and organizational culture towards learning organizations; 4) analyze the influence of leadership and organizational culture towards improving PD ABC performance; and 5) formulate a sustainable learning organization strategy to achieve organizational performance. Methodes in this research were the explanatory and exploratory model, causal-comparative method and quantitative method by SEM Lisrel 32 and Analytical Hierarchy Process (expert choice 11). Data collection used stratified random sampling method with 136 respondents and 9 experts.

The learning organization implementation at PD ABC should be developed by taking some improvements in , provide system to capture and share learning, empower employee, collaboration and team learning, connect organization strategic leadership to achieve its business targets. Learning organization had a significant effect towards organizational performance improvement. Leadership had a significant effect towards learning organization formation. On the other hand, organizational culture had an insignificant effect towards learning organization. Leadership had a direct, insignificant effect and negative influence towards organizational performance, while learning organization had an indirect, significant effect and positive influence towards organizational performance. Organizational culture had a direct, insignificant effect and negative influence towards organizational performance. Organizational performance could be increased through learning organization. To improve its performance, PD ABC need to deploy strategies mainly by providing a measured evaluation and monitoring system and a transparent reward and punishment system. All leaders and the Director should improve empower employee, collaboration team, and open communication with employees, customers and the Bogor City Government, Mayors and DPRD in order to increase its net profit, team productivity and number of occupied kios/booths and to decrease the number of street hawkers. The unit heads must also conduct monitoring over their members in cascading way and incorporate learning and teaching process as an indicator of performance assessment. Routine meeting and dialogue are very important as a means of obtaining information and discussion to solve the problems in organization. Last
but not least employees empowerment need to encourage collaboration team that help PD ABC achieve company performance effectively.

Keywords: leadership, learning organization, organizational culture, organizational performance, strategy