

## Achieving Corporate Competitiveness: The Establishment of Learning Organization in a Life Insurance Company

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**ABSTRACT:** As an industry providing financial protection, services and solution, life insurance plays an active role of informational transformation to improve the management of resources. Obviously, the human resources management practices have a big opportunity to play an important role in supporting the industry to gain the competitive advantage. Human resources management practices, through their learning activities will establish learning organization, cultivate it and eventually attain the desired competitive advantage.

Through a comprehensive the utilization of Resource-Based View, Learning Organization and Sustainable Competitiveness Advantage theories, a quantitative approach is conducted at a dynamic and fast-growing life insurance company. The research tests five hypotheses: (1) the influence of mental model of the leader, (2) the influence of building shared vision, (3) the influence of Team Learning, (4) the influence of System Thinking and (5) the influence of Personal Mastery.

The study illustrates positive impacts on the continuous process of Learning Organization and gives higher affinity on the organizational competitive advantage. The suggestion covers the areas of: (1) The on-going careful maintenance of organizational strategy for sustainable business improvements, (2) The continuous acceleration programs on High Performance Culture, and (3) The continuous exercise and efforts through utilization of development and career frameworks.

**KEYWORDS:** *Competitive Advantage, Human Resources, Learning Organization, Life Insurance, Transformation*

### I. INTRODUCTION

Facing the global economic challenges, life insurance is amongst the financial institutions, which competes for providing the maximum services, understanding the clients' needs better and engaging them through comprehensive and appropriate marketing strategy. Kaplan (2004) asserts that organization is required to transform their tangible and intangible assets, in which coherently links with the transformation on the operationalisation of human resources aspect. This needs the implementation of suitable leadership of personal mastery as a concept, development of organizational capacity and transformation process to achieve in reliable situation (Schein, 2010). The improvement on the field of strategic practice would evidently result in the exercise of higher performance (Wickens, et al, 2015). The employees and managers have various perspectives on how the company interacts with its clients and market, which consequently, gives impact to the organization in managing its decision-making process in order to build higher performance among its employees (Harper, 2015).

Informational transformation is the need to conceptually, update the learning, which benefits the work quality through set of new skills, knowledge and behavioral models in the field of human resources. The transformation of learning practice needs the transformation on how people understand and get their new capacity to develop their mental picture of the organization goals. The update of learnings comprises the need to integrate personal and organizational mental picture with regard to mutually meet the organizational goals. The integration must be positioned into their new vision and mission together with their employee ability in the field and real life (Andrews et al; 1991).

In the human resources context, this means employees must be ready to meet the clients' needs and satisfaction. Moreover, the company must drive its employee to bring higher performance against its competitors (Selnes; 1993). That concept brings up the need to mobilize all the employees' potentials within a set of team learning and team development practices with regard to develop their capacity, wherein they would be able to exchange information, hold discussion and eventually build shared comprehension. The human resource practices must drive to improve the corporate strength on competition and operational efficiency.

One new advantage is the knowledge of the individual. Francis Bacon referred to Sangkalan (2007) who argued that companies have moved into more knowledge-based information sharing. It is relevant for the any organizations to ensure their readiness against the tight competition and talent war. Through knowledge sharing and strategic recruitments, any organizations can accelerate the “power” to compete from other company (Quinn, et al, 1998).

In this situation, knowledge has become predominantly essential. Therefore, knowledge acquisition and utilization should be managed carefully to improve organizational performance (Davenport, 2013). An integration between the employees experience and the acquisition of new knowledge, is really important to bring more influence into human resource practices. Knowledge management is the integration of knowledge into organizational practices (Currie, 2012). Through knowledge management, the organization can structure and map the entire knowledge within the organization as the assets and improve the performance (Dalkir, 2013), to produce various innovations ranging from the production system to the employment systems (Simons, 2013). Higher business results and performance are difficult to achieve if the knowledge is not utilised properly (Snieška, 2015). Optimal utilization of the corporate resources will drive the business organization move more efficiently. The resources owned by the organization must be more competitive or even higher than the competitors (Armstrong, 2014), to reach the competitive advantage. On the contrary, if an organization is unable to maintain the knowledge management against its competitors, the sustainable competitive advantage is at risk. Mahoney and Pandian (1992) says, to increase the advantage the companies can use resource-based theory as their strategy. This theory assesses the potentials to maintain the company’s success to prioritize the development of internal capabilities and anticipate the competition. Prahalad and Hamel (1990) put forward several milestones for a company to succeed constantly in changing environment, through transformation processes. Firstly, the company needs to implement transformation in its learning habits and maintain its core competencies, to have high values in the marketplace. Secondly, the level of transformation must be based on the workplace learning to improve the performance. Thirdly, the process of learning activities should be addressed by certain performance measures, which means that the learning activities must have impact or influence on business performance.

A life insurance organization which is, still in the transformation process is Sun Life Financial. The organization is dynamically growing and putting high efforts to be the leading international financial services, which provides its clients a sustainable lifetime financial security. Various life insurance products and services are available for its individuals and corporate clients. Sun Life Financial and its partners have operated in some number of key markets around the world and it is amongst the world’s leading financial organizations. Founded in 1865 and headquartered in Toronto, Canada, Sun Life Financial operates in Canada, the United States, Ireland, and seven Asian countries including Indonesia. As the transformation goes, the company has invested aggressively to keep ahead under tight competition with similar companies.

Since 1995, Sun Life Financial Indonesia has provided the citizen of Indonesia with a complete service-based products ranging from protection products in wealth management, life insurance, education and health. Its mission is to help Indonesian clients achieve their lifetime financial security. Sun Life Financial Indonesia also visions itself to be the top 8 leader in protection and wealth management in Indonesia. Using the agency, partnership distribution and financial technology as its distribution channels, it has large partnership with prominent banks in Indonesia and involves more than 7,000,000 sales force in 2016.

As Indonesia enters the economic crisis in 2015, the competition is getting tighter and there are many big players in life insurance sector. PT Sun Life Financial Indonesia (SLFI) experiences challenges as other competitors do. The multinational life insurances enter Indonesia through bank partners, hence the banc-assurance based life insurance are mushrooming. Therefore, the company needs to implement the transformation to keep ahead with the development of today’s international markets, particularly in the life insurance-services business. The company has established its business concept more efficiently and productively. This tight competition, spurs the company to maintain the capabilities of the organization and improve its employee performance.

List of Companies That Have Life insurance Loss (Income Minus)  
In The Year 2011 (In Millions)

No	Name	Net Income
1	Multicolor Life	Rp -(261)
2	Pasaraya Life	Rp -(1,348)
3	MNC Life	Rp -(1,760)
4	Zurich Topas Life	Rp -(14,462)
5	Recapital	Rp -(18,297)
6	Aviva Indonesia	Rp -(23,274)
7	MAA Life	Rp -(23,376)
8	Generali Indonesia	Rp -(32,639)
9	SyariahMubarakah	Rp -(49,188)
10	CIMB Sun Life Financial Indonesia	Rp -(53,444)
11	Ace Life Assurance	Rp -(60,088)
12	Great Eastern Life	Rp -(144,989)
13	BumiAsih Jaya	Rp -(240,837)

Source: www.investor.co

Achievement of higher employee performance is the role of human resources in the company. The employee who acts as the sales agent is a business partner to support the performance achievement. To reach the achievement goal and higher performance, the company has conducted many programs to train them to master the intended knowledge, skills, and behaviour, as outlined through its human resource development programs. Through better learning practice, organization establishes its source of competitiveness. However, the organization also faces challenges on its human resources characteristics that impacts on the direct business results and performances. Since the environment changes rapidly, then the learning practice must be adjusted. It brings questions to the organization to transform itself to be the learning organization and becomes a centre of knowledge management for its employees (Pedler et al., 1991). In addition, it is also questioned how the life insurance organization can transform themselves to fulfil the more diverse clients' needs, especially in the Indonesian business environment.

Through a comprehensive the utilization of Resource-Based View, Learning Organization and Sustainable Competitiveness Advantage theories, a quantitative approach is conducted at Sun Life Financial Indonesia. The research tests five hypotheses, which impact its organizational competitive advantage, which cover the areas of: (1) the influence of mental model of the leader, (2) the influence of building shared vision, (3) the influence of Team Learning, (4) the influence of System Thinking and (5) the influence of Personal Mastery.

## II. THEORETICAL FRAMEWORK

### 2.1 Resource-Based View Theory



The resource-based view (RBV) as fundamental competitive advantage of a company lies mainly in the implementation combination of intangible and tangible resources derived from the organizational resources. (Mwailu & Mercer, 2015) and (Rothaermel, 2013). Experts research for further investigation on the sustainable competitive advantage through RBV mechanism with the original concept such as competencies, dynamic skills, capabilities and VRIO framework (Barney, 2012), life cycle ability (Helfat & Peteraf, 2015). This indicates that the resource based view has been developed as an important source of advantage competitive regardless of the main human resources provided by the company (Barney, 2012). A wide body of empirical study and theoretical research known as the spiralling prospective have assumed that RBV is a fundamental element of organizational

processes that influence competitiveness of competence (Barbier et.al., 2015). The following scheme displayed VRIO Framework that is encompassed within the theory.

VRIO Framework is a management tool to analyze company's internal resources and capabilities to find out if they can be sources of sustained competitive advantage (Rothaermel, 2013). This tool was originally designed to obtain higher performance (Barney, 1991).

The acknowledged and supported concept, were followed by continuous researcher in penetrating RBV for higher performance to contribute sustainable competitive advantage (Garvin, 2012).

**2.2 Learning Organization**

The concept of learning organizations lies under two broad categories. The first category of learning organizations treated it as a variable that can be devoted to an organization. Secondly, that has a significant impact on organizational outcomes. The competitive advantage issues in the learning organization have been embraced,, in theory and conceptualized for better learning climate competitiveness and company's success (Stone, 2012). Success indicators of a learning organization is company achieves faster problem solving, sustainable and dynamic. Stone (2012) depicted a diagram that pictures the theory into five disciplines, as portrayed below



The disciplines mentioned above can further be categorized into four aspects:(1) communication and openness, (2) inquiry and feedback, (3) adequate time and (4) mutual respect and support (Wang, 2006).Furthermore, Wang developed the aforementioned aspects according to the characteristics of learning organization and practices as elucidated on the table below.

Characteristic	Personal mastery - individual	Mental models - Individual	Building shared vision group	Team learning - group	Systems thinking - group
Definition	The ability to see reality as it exist, and to define what goals are trying to achieve	As one’s way of looking at the world; the ability to compare reality or personal vision with perceptions	The ability of a group to hold shared visions of future with commitments and mutual understanding	The capacity of members of a team to suspend assumptions and centre into a genuine “thinking together.”	The ability in developing scientific knowledge by adopting an analytical method to understand problems
Practice	Willing to face limitations and difficulties; ability to deal with change; being responsible to their behaviour	Being more openness and positive to things and to colleagues; willing to adopt new challenges	More effective communication flows; easier to ease the arguments, to build team trust and commitment, and being more cooperative	Group self-awareness; learning for everyone; helping and encouraging others’ learning; enhanced creativity	Long-term improvement or change ; decreased organizational conflict; learning among group members

Source: Wang, 2006

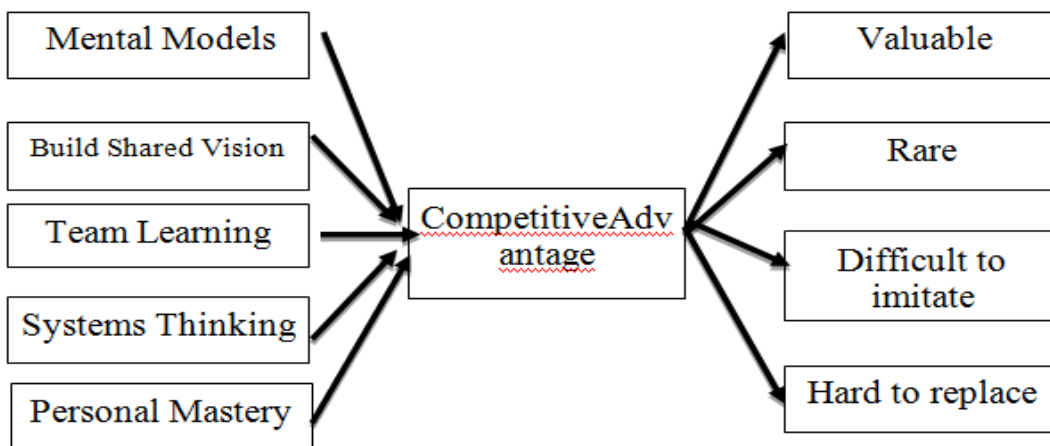
### 2.3 Sustainable Competitiveness Advantage

According to Barney (1991), in order to achieve competitiveness and sustainable profits, the company must seek out and cultivate special capabilities of all its resources. Theory of Competitive Strategy (Porter, 1980) suggests that companies should create a special competitive edge in order to have a strong bargaining positioning the competition. Porter (1991) asserts that the competitive edge here serves as special competence and digging (distinctive competency) as the driving force. This special competence, furthermore, acts as a distinctive and advantageous feature to lead the company in achieving superior performance (Day, 1948 and Porter, 1998)

Competitive advantage is the ability of a business to achieve abnormal profit in the competitive industry through value creation strategy. This competitive advantage will be sustained when the advantage is resistant to abrasion that competitors who can do the duplication of benefits from existing strategies (Barney, 1991). Competitive advantage is gained when the company transforms its activities that incorporated in its work chain contribution to give the maximum margin for the company to carry out more efficient activities than the competitors. The implementation of learning organization is a practise of tacit knowledge as personal mastery to the way organization deals with knowledge management and to various nature of complexity to win sustainable competitive advantage in the long-run (Fillol, 2012).

### 2.4 Conceptual Framework

This study has a goal to describe the model implemented by Sun Life Financial Indonesia to transform the organization into a learning organization to create the competitive advantage. According to theory above, this study focused on the core theory of the "learning organization" proposed by Peter M. Senge in 1990. As a basic knowledge of core competencies, people must know how to implement the dimensions of competence, which observed in this study that is portrayed in this following scheme.



Personal mastery, mental models, building shared vision, team learning and system thinking lead to competitive advantage. Competitive advantage means valuable, rare, difficult to imitate and hard to replace, according to (Oliver (1997) and Barney (1991)). However, as it stands in this framework, it means that Personal mastery, mental models, building shared vision, team learning and system thinking leads to competitive advantage and competitive advantage leads to valuable, rare, difficult to imitate and hard to replace. So we can remove valuable, rare, difficult to imitate and hard to replace because mean competitive advantage.

## III. RESEARCH METHODOLOGY

This paper is presented with quantitative data in numbers that is in accordance with the opinion and reasoning argumentation (Arikunto, 2006). In addition, the quantitative research contains research approaches, which are required to use numbers, ranging from data collection, interpretation of these data, as well as the appearance of the results (Creswell, 20013).

This study also uses a causality approach, which examines the relationship between the phenomenon of employee and organization as variables to explain the learning organization and competitive advantage in Sun Life Financial Indonesia. In addition, this study also takes quick process works, narrow, and reductionist (perform surgery on something into parts that can be tested quantitatively especially on the characteristic of the variables).

As a mean of conducting this study, the data used in this study is obtained through questionnaire to the respondent (Sugiyono, 2001). This study used 100 (one hundred) respondents in the sample taken from the company implementing learning organization concepts, with regard to test five hypothesis.

### 3.1 Hypothesis of Research

The theories show that H<sub>0</sub> is an anti-hypothesis of the learning organization theory (Senge, 1998) meanwhile H<sub>1</sub>, H<sub>2</sub>, H<sub>3</sub>, H<sub>4</sub>, H<sub>5</sub> supports the core organizational learning organization (Wong, 2006). Therefore, the hypothesis of this study are as follows.

- H<sub>0</sub> : There is no influence of Mental Models on the competitive advantage in Sun Life Financial Indonesia
- H<sub>1</sub> : There is influence of Mental Models on competitive advantage in Sun Life Financial Indonesia
- H<sub>0</sub> : There is no impact of Build Shared Vision on competitive advantage in Sun Life Financial Indonesia
- H<sub>2</sub> : There is influence of Build Shared Vision on the competitive advantage in Sun Life Financial Indonesia
- H<sub>0</sub> : There is no influence of Team Learning on the competitive advantage in Sun Life Financial Indonesia
- H<sub>3</sub> : There is influence of Team Learning on the competitive advantage in Sun Life Financial Indonesia
- H<sub>0</sub> : There is no impact of Systems Thinking on the competitive advantage in Sun Life Financial Indonesia
- H<sub>4</sub> : There is influence of Systems Thinking on the competitive advantage in Sun Life Financial Indonesia
- H<sub>0</sub> : There is no influence of Personal mastery on the competitive advantage in Sun Life Financial Indonesia
- H<sub>5</sub> : No influence Personal Mastery against a competitive advantage in Sun Life Financial Indonesia

### 3.2 Statistical Processing Method

Statistical Processing Method utilized in this study encompasses Reliability and Factor Analysis, which serve to improve the accuracy of estimation and predict the result that reliable through scientific step. Through computerized model, the researcher can gain initial processed data result. In addition, combined with pre-test step, it can measure the reliability and validity of the question items in the questionnaire. Reliability test is performed to measure the consistency and reliability of the questions contained in a questionnaire study to look at the value of Cronbach's Alpha (α). If the value of Cronbach's Alpha (α) exceeds or equal to 0.6, then the question is consistent and relevant to the variables as well as reliable or unreliable when applied to the sample, place, and time capture different data (Malhotra, 2007). Meanwhile, in order to test the validity, researcher used factor analysis based on the variables that exist in this study as requirements for validity. It used the value of Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO-MSA) > 0.5 following the theory of (Tabachnick, 2007).

With regard to process the questionnaire answers, the researcher uses Structural Equation Modelling (SEM) to find the real model through statistical technique that is capable of analyzing latent variables, variables observed, and measurement error directly which contained in the learning organization aspects. SEM is able to analyze the relationship between the latent variables in the organization practice to find the dominant indicator and the true relationship between the variables and determine the measurement error (Wijanto, 2008). In this study, it has several steps of processing of namely Normality Test, Confirmatory Factor Analysis (CFA), and Second Order Confirmatory Analysis (CFA 2<sup>nd</sup>). Because the observed variables cannot be measured directly, the researcher used the 2<sup>nd</sup> CFA to measure the weak variables. On the 2<sup>nd</sup> CFA, endogenous latent variables consisted in the learning organization and competitive advantage can be observed as exogenous variables.

### 3.3 Estimated Method

The estimation method used in this study is the Maximum Likelihood. Maximum Likelihood has some important characteristics and these characteristics are asymptotic which applicable to a large sample (Bollen, 1989 in Wijanto, 2008). First, even though it may be biased estimator for small samples, Maximum Likelihood Estimator is asymptotic unbiased. Second, Maximum Likelihood Estimator is consistent. Third, Maximum Likelihood Estimator is asymptotically efficient, so that among estimators that are consistent, no one has the asymptotic variance is smaller. Finally, the distribution of the estimator tends to approach to a normal distribution when the sample size increases. Wijanto (2008) suggested that the lowest ration of 5 (five) respondents per variable observed to be sufficient for the normal distribution when a latent variable has several indicators (observable variables). Based on this, then as a rule of thumb, the required sample size for Maximum Likelihood estimation is at least 5 (five) respondents for each variable observed in the model. Maximum Likelihood Estimator will give valid results with a sample size of 50, but the small sample size is not

recommended. Although there is no standard sample size, sample size is recommended and generally accepted to obtain results that correspond to the use of Maximum Likelihood is 100-200 samples (Hair, 2012). Confirmatory Factor Analysis (CFA), is a form of measurement model indicates a latent variable is measured by one or more variables observed (Wijanto, 2008).

### 3.4 Model Interpretation and Modification

Ultimately, SEM models that have been tested and proven valid, are not the only model that fit with existing data. Therefore, researcher usually does the modification model that aims to make the model more fit than the previous model. Modifications are usually made by adding relations between constructs, which in turn can lower the value of chi-square ( $\chi^2$ ).

## IV. RESULTS

Using the Gizmo Online Survey application, the questionnaires are sent to 508 employees of Sun Life Financial Indonesia. It has 229 (45%) out of the total employees respond to the survey, which is conducted on October 24th until October 28th, 2016. The survey results show the categories of respondents based on gender, age and education. The data is statistically processed using the AMOS Structural Equation Modelling (SEM).

### 4.1 Hypothesis Analysis

Based on the statistical data, it could evidently be concluded that the influence of Mental Models, Building Shared Vision, Team Learning, Systems Thinking and Competitive Advantage resulted CR value of  $-0,019 < 2,00$   $p = 0,985 > 0,005$ . It is proven that (1) H1 depicted that there is positive influence of Mental Models on the Competitive Advantage in Sun Life Financial Indonesia. The factor loading value between mental models and competitive advantage has positive result, so the second hypothesis (H2), mental models has positive correlation also proved.

Factor loading value between building shared vision has positive result with positive direction, so that the third hypothesis (H3), namely building shared vision and competitive advantage is positively proved. In addition, the analysis result shows that factor-loading value between team learning is positive with positive direction toward competitive advantage, so the fourth hypothesis (H4), namely, team learning and competitive advantage is positively proved.

The analysis result for the tests hypothesis (H5) is done. Factor loading value between system thinking and competitive advantage intention is negative with negative direction, so that the fifth hypothesis (H5), namely system thinking and competitive advantage is negatively proven. The values above show that all hypotheses have different factor loadings, which needed for Sun Life Financial Indonesia's continuous process of Learning Organization. Referring to study on the Learning Organization of Sun Life Financial Indonesia in general to the dimension of personal mastery and building shared vision have higher affinity on Sun Life Financial Indonesia competitive advantage. This means that in general, the organization needs to maintain this Learning Organization as its HR Strategy in its human resources development practices.

### 4.2 Discussion

Currently Sun Life Financial Indonesia has applied better HR strategy to its best practices against market's competition. Repositioning efforts, downsizing, or delegating task will determine the level of business resilience against the sudden environmental change, especially from new life insurance companies, which enter the market. Even though new entrants may be weaker in capital and market channel, they may have better mobilisation of its resources in this life insurance market globally. Thus, Sun Life Financial Indonesia must be able to translate the business strategy into HR strategy to improve its HR's understanding about business competition, and brings closer relationship with the market and finally converts it into competitive advantage.

The results of the hypotheses above, the personal mastery, building shared vision, mental model and renewal of human resource are proven to improve the ability to survive the competitive environment. In addition to that, Sun Life Financial Indonesia needs to coordinate with its partners in penetrating bigger market share and builds sustainable partnership to produce a better product values and services to its existing clients and to the market.

It is important to implement robust and sustainable development, career and reward frameworks as investments to help employees reach its own competitive advantages. In general, improvement of human resources quality must reflect the measured increase in sales or other standardised metric, which are conducted by the organization. Automatically, aligning the business and HR strategies in the Learning Organization concepts will increase in sales, human resource productivity and company's competitive advantage in the marketplace.

Sun Life Financial Indonesia's HR strategy must be balanced with HR personal mastery and mental model to lift up the organization into a better strategic position among other competitors. Without the improvements of human resources quality through Learning Organization, Sun Life Financial Indonesia's potential resources will be wasteful and will face difficulties to manage them efficiently. The organization needs to improve the quality of its strategic steps to keep the high-performance cultured employees and continue providing learning and

development program to stimulate productive performance for employees. L&D plays the biggest role to process and develop employees' potential and talents to become stronger company assets.

If one organization is aiming for a higher competitive advantage, the implementation of Learning Organization is vital to change the character of routine-setting into innovation-setting. It has been proven from the response about personal mastery, mental model, building shared vision and HR strategy must be combined through Learning Organization concept as its orientation.

In Sun Life Financial Indonesia, employees tend to be happy, excited about the company's current condition, based on the recent Employee Engagement Survey result from Willis Towers Watson (WTW, 2016). The overall index-score increased from 80% in 2014 to 92% in 2016. Significant achievement shows that Sun Life Financial Indonesia has exercised proper Learning Organization concept as its HR Strategy that enable Sun Life Financial Indonesia to increase its competitive advantage.

Sun Life Financial Indonesia has focused on its employee's higher personal mastery, mental model and building shared vision to elevate its competitive advantage. This is done by implementing the right orientation program to set work standardisation. Sun Life Financial Indonesia has proven to lead by emphasising systematically the proper Learning Organization in its HR practices. With the proper Learning Organization, making the employees aware of the business strategy and integrate it into employees' objectives is recommended in this study. This will create employees' motivation and pride, which can boost SLFI's position in the market and educate market to be more aware SLFI's existence. The market will consider SLFI as a company with high standard of work due to its employees' quality. This makes SLFI's HR Strategy, Learning Organization and High Performance Culture as key successful factors, which influence SLFI's competitive advantage in long term.

#### 4.3 Evaluation

From the analysis results, that Sun Life Financial Indonesia has applied Learning Organization, which increases the quality of human resources practices. A high performance as result to learning organization where personal mastery, building shared vision, team learning, mental model are the keys to an advanced competitiveness advantage, system thinking has low impact on the competitive advantage (Senge, 1998). This study has proven that, the applied learning organization has ranked SLFI higher, incomparision to other life insurance. SLFI has elevated its performance throughout the years by winning market competition, through its market penetration growth of 25% in 2015-2016, SLFI has raised its rank to become 11<sup>th</sup> in 2016, from the 15<sup>th</sup> the life insurance market, based on Indonesia Life Insurance Association (Sun Life Financial Indonesia internal source).

With the new trend of knowledge-based economy and sector competitiveness, SLFI has done its transformation of its tangible and intangible assets (Kaplan, 2004). The success of SLFI as an organizational transformation is determined by its ability to operate in the global business environment through several aspects such as human resources transformation of their skill and knowledge (Lege,1995). This needs suitable leadership of personal mastery as a concept builds from the development of organizational capacity and transformed steps that organization can achieve in reliable situation (Schein, 2010).

This study is an effort to showcase how Learning Organization concept has strong effect on the SLFI's competitive advantage. The study result also shows that Learning Organization as interpretation of SLFI's business strategy to HR strategy implementation must be understood by each team member in order to maintain their performance. Since Learning Organization is affecting the business and management practices, it is important to study further its impact on the competitive advantage performance in another setting.

Learning Organization with all studied variables is also important to drive the spirit of how to maintain and continuously improve its competitive advantage, how it can mediate a team to improve knowledge acquisition and interaction among the members in the organization. However, system thinking and openness of members within the Organization involved demonstrability of task or work structure through many mediating variables. Thus, it is necessary to observe the factors supporting the existence of HR strategy in knowledge improvement to enhance individual performance in personal mastery towards building shared vision and the unexplored variables to win higher competitive advantage.

For teamwork process, it contributes on how SLFI can do intensive knowledge development and encourage greater use of the knowledge resources to the entire members. They must be able to combine effectively, the internal and external knowledge to establish better intellective members in implementing Learning Organization in Sun Life Financial Indonesia. They must integrate its business strategy into HR strategy in practising Learning Organization. In addition to that, the implementation of HR strategy has to be disseminated among the employees equally, for a better building shared vision to improve its team learning. It will also help sustain its competitive advantage through the task-orientation driven attitude and to achieve target. Despitethe tighter competition and increased performance target each year, through learning organization as HR strategies, SLFI can still maintain its competitive advantage through consistent implementation of knowledge shared based and better knowledge acquisition through HR L&D programs to strengthen growth and greater performance to maintain competitive advantage.



#### 4.4 Conclusion

This study describes the model implemented by Sun Life Financial Indonesia to transform business strategy and convert it into HR strategy and from conventional perspective organization into a learning organization. SLFI's ultimate strategy is to create higher competitive advantage to create high performance in its past three years. According to theory, this study focused on the core theory of the "learning organization" designed by Peter M. Senge. The five disciplines have four categories, e.g., communication and openness; inquiry and feedback; adequate time; and mutual respect and support (Wang, 2006).

#### 4.5 Suggestions

This study has proven that SLFI is one example of successful Learning Organization implementation in the life insurance industries. Since the implementation of Organizational Learning, there have been numerous achievements in the organization. On the other hand, this paper ultimately come up with these suggestions depicted below

1. The organization should maintain its organizational strategy sharp in order to attain various sustainable business improvements,
2. The organization should increase its performance acceleration and produce more talents through its High-Performance Culture,
3. The organization should continuously exercise Learning Organization by utilising the right fit of development and career framework,
4. The organization should implement continuous improvements in which HR Learning Organization is implied,
5. To continue the exploration of the Employee Engagement Survey result and implement actions,
6. Continuously and attentively, listen to employees' aspirations in its various channels of communication with the employees to implement changes.

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