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## UNIT 13 MANAGEMENT DEVELOPMENT

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### 13.0 LEARNING OUTCOME

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After reading this unit, you will come to know:

- The meaning and nature of management development;
- The significance of management development;

- Various approaches to management development; and
- Contemporary issues in management development.

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## 13.1 INTRODUCTION

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Before exploring the concept of management development, we need to be clear about the word 'management'. Management is described as 'making organisations perform'. (Smith et al. 1980) Management is concerned with:

- *Individuals* to manage work;
- *Activities* for achieving goals;
- *A body of knowledge* represented by theories and frameworks about people and organisations;

The general assumption is that management education and training themselves constitute management development, but they do not. When we educate managers we seek to introduce extend or improve their learning and understanding about the managerial world they occupy. Management training is primarily concerned with teaching managers the skills to perform their jobs more effectively.

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## 13.2 MEANING AND DEFINITION OF MANAGEMENT DEVELOPMENT

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Management development is defined as

- A conscious and systematic process to control the development of managerial resources in the organisation for the achievement of goals and strategies. (Molander, 1986)
- An attempt to improve managerial effectiveness through a planned and deliberate learning process. (Mumford, 1987)

That function which from deep understanding of business goals and organisational requirements, undertake (a) to forecast need, skill mixes and profiles for many positions and levels (b) to design and recommend the professional, career and personal development programmes necessary to ensure competence (c) to *move from the concept of 'management' to the concept of 'managing'*. (Beckhard, 1989)

Although such definitions represent useful starting points, they tend to constrain the notion of development to processes that are seen as formalised, planned and deliberate. It is true that many aspects of development are like that, but development is also a continuous, dynamic process where managers often learn through informal, unplanned experiences.

To achieve a more comprehensive view of development, there is need to incorporate additional aspects such as:

- Framework for setting, linking and balancing individual and organisational objectives;
- Systems for identifying and selecting managers;

- Structures to support, motivate and reward;
- Plans to enable career progression;
- Mechanisms to measure and evaluate performance.

This wider, more holistic perspective on management development will be the theme running throughout the rest of the unit.

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### 13.3 HRM AND MANAGEMENT DEVELOPMENT

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Human resource management is about the effective management of people in organisations. It involves the integration of people with organisational goals and strategies. It views people as assets to be developed and utilised in a productive way rather than costs to be minimised or eliminated. People influence effectiveness and success is seen as significant for the organisation. What is therefore the *way* people are managed, and the way people are managed within a given organisational context is the outcome of two important and interacting sets of variables:

- The philosophies, ideologies, values and beliefs of management that operate and dominate within the organisation.
- The practices, policies and management style that managers employ in their managerial role.

A 'harder' approach to human resource management emphasises a rational economic perspective where people, although acknowledged as important to an organisation's success, are viewed as a resource to be used alongside and in conjunction with capital and plant. They are deployed in a seemingly calculative, instrumental way for economic gain, people are a means to an economic end.

The role of management is therefore seen as maximising the efficient use of labour to meet the economic goals of the organisation. This implies a 'scientific management' approach where managers tightly control employees with minimum scope for decision-making. Tasks and jobs are highly specialised and bounded by rigid rules and procedures. Performance in the job is carefully monitored. Motivation is based largely upon reward and punishment ('carrot and stick' approach).

In the 'softer' form of human resource management, a more humanistic perspective is adopted where organisational goals are achieved with and through people. People are seen as valued resource to be nurtured and developed. The emphasis for managers changes, and they become more concerned with measures to improve cooperation, communication, consultation, participation, job satisfaction and the quality of working life. The manager's role shifts to one of gaining commitment, facilitating and encouraging participation, training and developing people to their full potential, motivating through techniques such as appraisal and job enrichment.

#### Some Implications for Management Development

A number of implications for managers and their development are:

- Managerial values and attitudes: If strategic HRM is to operate effectively, managers must possess a set of attitudes and values that are congruent with the notion that people are central to the organisation's success.

- Other significant development is the improvement of links between the providers of management education and employers. There is also evidence of greater flexibility amongst employers, business schools and consultants to meeting the needs of practising managers.
- Managerial roles and relationships with employees: One of the most profound implications for management development contained in HRM philosophy is the need to persuade managers to accept and adapt to new managerial roles and forge new relationships with their employees.

### **Devising a management development policy**

Developing effective managers begins with the formulation of a detailed management development policy. ‘*Management development will fail if there is no clear policy*’ (Margerison, 1991).

Guidelines for preparing a management development policy:

1. Link development plans and activities to business strategies, human resource planning and employment policies.
2. Determine responsibilities for developing managers.
3. Decide the characteristics for an effective manager within the organisation context.
4. Identify the managerial competences required to implement strategy.
5. ‘Map out’ the organisation’s cultural philosophy with regard to management.
6. Communicate the organisation’s strategic goals and objectives to managers and those involved in manager development.
7. Ensure development links to the reality of what managers do, not what the organisation thinks they do.
8. Develop a flexible approach to management development that can accommodate both organisational and individual needs.

Policy statements are useful because they express an organisation’s commitment to development and clearly set out a framework within which it can take place. What is some times less clear is the extent to which they are prepared to implement them and how effective they are. Like other areas of management development, this is difficult to evaluate.

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## **13.4 APPROACHES TO MANAGEMENT DEVELOPMENT**

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Having determined its policy guidelines, the next step for the organisations to consider how it should *approach* the development of its managers. Management development can be approached in different ways. Mumford (1987) describes three types of approaches, which are broadly representative of management development at the present time. They are:

### **Type 1: ‘Informal managerial’—Accidental Processes**

#### **Characteristics:**

- Occurs within manager’s activities

- Explicit intention is task performance
- No clear development objectives
- Unstructured in development terms
- Not planned in advance
- Owned by managers.

## **Type 2: ‘Integrated managerial’—Opportunistic Processes**

### **Characteristics:**

- Occurs within managerial activities
- Explicit intention is both task performance and development
- Clear development objectives
- Structured for development by boss and subordinate
- Planned beforehand and/or reviewed subsequently as learning experiences
- Owned by managers.

## **Type 3: ‘Formalised development’—Planned Process**

### **Characteristics:**

- Often away from normal managerial activities
- Explicit intention is development
- Clear development objectives
- Structured for development by developers
- Planned beforehand or reviewed subsequently as learning experiences
- Owned more by developers than managers.

### **13.4.1 Piecemeal Approach**

Programmes that have characteristics similar to Type 1 and Type 3 development tend to lead to piecemeal approaches, which in turn lead to inefficient and ineffective development. There are a number of reasons why organisations might choose or be forced to adopt these approaches. Some of them are:

- Resource constraints
- A lack of awareness about linking management development to organisational strategy on the part of those responsible for initiating or delivering development;
- Groups who seek to exert control over development

**Characteristics of this approach:**

- No management development infrastructure. Development is not linked to business strategy.
- Development often focuses on the needs of the organisation and fails to meet the learning needs and aspirations of individuals and groups.
- There is tacit support for management education and training because it is seen as a 'good thing to be doing' irrespective of organisational needs
- There is lack of common vision among those responsible for management development.
- It is difficult to evaluate the effectiveness of a piecemeal approach that lacks clear direction and established objectives.

**13.4.2 Open System Approach**

If organisations can be persuaded to adopt an open systems perspective of management development they are likely to overcome many of the problems created by the piecemeal approach. Instead of looking at management development in isolation, it becomes an integral part of a wider organisational system, and more importantly, is linked to the 'reality' of management work. Viewing management development in open systems terms recognises and focuses attention on the following:

- It is composed of identifiable parts or components, which act together in an organised way. A range of inputs is transformed in the management development process to produce a range of outputs.
- The management development process interacts, influences and is influenced by variables from other environmental and organisational subsystems (social, technological, cultural).

**Benefits of open systems approach:**

- The notion that if you develop the manager, you develop the organisation and vice versa, become apparent. An open systems view identifies the way management development contributes to overall organisational effectiveness.
- Viewing management development in open system terms reveals the full extent of its influence on the organisation and is likely to lead to more detailed and objective assessment of performance and overall effectiveness.

**13.4.3 Unified Approach**

In a unified programme, management development is located at the very heart of the organisation's philosophy, mission, business goals and human resource strategy. The process is integrated and coherent across all functions and hierarchies. Manager performance is measured and development activity can be linked clearly to the organisational values and the achievement of strategic goals.

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**13.5 CONSIDERATIONS FOR EFFECTIVE  
MANAGEMENT DEVELOPMENT**

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It was stressed that unified approach based on open systems model overcome many of the

problems associated with a fragmented, piecemeal approach. But there are a number of important considerations, they are:

- Management development programmes are presented *as rational* and *mechanistic* in orientation. They utilise universal blueprints and frameworks to guide the ‘production’ of effective managers. There is a systematic and logical process with clearly identifiable stages. Managers are selected for training and development using ‘pseudo-scientific’ techniques. Developing managers in this way offers a number of benefits, but there are limitations and drawbacks. There is often failure to take account of and deal with the irrational side of human behaviour, i.e. the conflict between personal and organisational goals. A more rational, mechanistic approach may also neglect or fail to come to terms with the complex, contextual and multi-faceted nature of a manager’s job.
- Attitudes and awareness: Different attitudes and degrees of awareness with regard to management development will exist at different levels within the organisation and influence the approach that is adopted.
- Differing goals and objectives: Different organisational groups and individuals will influence and shape management development approaches. Each will have its own set of aims and objectives.

### **13.5.1 The Context of Management Development**

Context can be thought of as a complex network of variables with which managers interact, and out of which they are able to construct a social reality with sense and meaning. It is context, which shapes and influences the way development is formulated and enacted. Some of the important contextual variables are:

- The individual
- The management team
- Environmental factors
- The organisation

#### **The complex and ambiguous nature of management development**

Research has revealed the complex nature of management development. Some

Issues that have created difficulties are:

- Clarifying what is management development
- Defining business needs and requirements
- What do managers want from developers
- Evolving and changing individual development needs
- The need for different managerial styles
- Selecting the most appropriate method of development
- Measuring and evaluating the benefits

### **13.5.2 Organising and Implementing Management Development Programmes**

With a clear set of policies, objectives and approaches established, the organisations now in a position to consider the best way to organise and implement the development programme.

To organise an effective management development programme, even a modest one, requires considerable effort. This may partially explain why programmes have a tendency to become piecemeal and fragmented, why line managers often leave it to personnel and training specialists to organise. Certain decisions have to be made within the context of the organisation's strategic plans and environmental influences.

If a development programme is to be successfully planned and implemented, there has to be clear and unambiguous allocation of responsibility and a willingness to accept that responsibility. Traditionally, responsibility for development has rested with the personnel function with some input from the manager's boss. The individual manager was essentially passive in the process: they were only required to 'turn up and be developed'. More recently, organisations are adopting and promoting a tripartite view where responsibility is shared between the personnel specialist, the boss and the individual.

The effective development of managers requires the full involvement and participation of all three parties.

An active process of discussion and negotiation usually results in all parties accepting and owning a share of responsibility for development objectives, planning and implementation.

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## **13.6 MANAGEMENT EDUCATION AND TRAINING**

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Management education and training forms the core component of the management development programmes. Many of those involved in management education and training appear to have broadly welcomed the moves to a competence approach which is practical and work-based and encourage employers to increase investment in management education and training. Management education and training comes in a variety of forms. A great deal of it is formalised, planned and structured. It can take place 'on-the-job' or 'off-the-job'.

Within these and other programmes, we find a diverse range of formalised learning methods. These methods have tended to evolve through a pragmatic process of trial and error. Research by Burgoyne and Stuart (1991) reveals the following methods to be used as learning methods.

- Lectures
- Games and simulations
- Projects
- Case studies
- Experiential (analysis of experience)
- Guided reading



- Role playing
- Seminars
- Programmed instruction

Weaknesses that have been identified in formalised management education and training are:

- A clash between academic culture/expectations and managerial culture/expectations (Cunnington, 1985)
- Difficulty in transferring and applying knowledge to the ‘reality’ of the workplace (Newstrom, 1986)
- The relevance of course material to the needs and wants of individual managers and organisations.

### **13.6.1 The Management Learning Process**

Attention is now focusing on linking education and training to *learning processes*. In the case of managers, Burgoyne and Hodgson (1983) suggest that managerial action is influenced by a gradual build-up of experience created out of specific learning incidents. This experience is internalised and managers use it, both consciously and unconsciously, to guide future decision-making and action. There are three levels of learning process identified:

- Level 1 learning occurs when a manager simply takes in some factual information or data, which was immediately relevant but did not change their views of the world.
- Level 2 learning occurs at an unconscious or ‘tacit’ level. Managers gradually build up a body of personal ‘case law’ which enables them to deal with future events.
- Level 3 learning involves managers consciously reflecting on their conception of the world, how it was formed and how they might change it.

### **13.6.2 Coaching and Mentoring**

#### **Coaching**

Coaching and mentoring represents the most tangible, practical and, if done effectively, most useful forms of on-the-job development. Coaching is defined by Torrington (1989) as ‘improving the performance of somebody who is already competent rather than establishing competence in the first place’. Coaching usually begins with period of instruction and ‘shadowing’ to grasp the essential aspects of the task. There is then a transfer of responsibility for the task to the individual. Through out the process there is a dialogue with regular feedback on performance in the form of constructive criticism and comments. The effectiveness of this feedback is dependent upon a sound working relationship. In most organisations coaching is done on an informal basis and is dependent on the boss having the inclination, time and motivation to do it, as well as possessing the necessary expertise and judgment for it to succeed.

#### **Mentoring**

It differs from coaching in two ways.

- The relationship is not usually between the individual and their immediate boss. An older manager unconnected with the workplace is normally selected to act as mentor.
- Mentoring is about relationships rather than activities.

Mentoring represents a powerful form of management development for both the parties involved. For the individual, it allows them to discuss confusing, perplexing or ambiguous situations, and their innermost feelings and emotions, with somebody they can trust and respect. They gain the benefit of accumulated wisdom and experience from somebody who is knowledgeable and 'street-wise' in the ways of the organisation, especially its political workings. For older managers looking for new challenges and stimulation in their managerial role, mentoring represents an ideal development opportunity. It gives them an opportunity to achieve satisfaction and personal reward by sharing in the growth and maturity of another individual.

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## **13.7 ISSUES AND CONTROVERSIES IN MANAGEMENT DEVELOPMENT**

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### **Organisational power and politics:**

Managers are employed by organisations to 'get things done through people' or to 'make things happen'. However, getting things done and making things happen within an organisation is rarely a simple or straightforward task. Managers are confronted by 'political' factors. They have to contend with 'obstacles' such as:

- Competition for scarce resources
- Conflicting viewpoints and priorities
- Confrontation with coalitions of vested interests
- Managing ambitious and self-interested individuals

To cope, and more importantly to survive, in an organisation, there is a growing view that managers have to become 'politically competent' to achieve political competence, managers must first understand power in organisations (the ability to make things happen). They must be aware of how power manifests itself, its sources and how it is used.

There is now a growing realisation that managers require some measure of political competence and awareness. The absence of politics in development programmes may tend to be politically neutral, generate frustration and confusion in managers who find difficulty in relating or applying what they learn to the 'reality' of managing back in the workplace. A politically competent manager can contribute to organisational effectiveness. Equally, a politically incompetent manager can hamper and 'damage' organisations as well as themselves.

### **13.7.1 The Ethics of Management Development**

Like power and politics, the ethical conduct of management, and the ethical frameworks used by developers, has received little attention beyond academic journals and books. More recently, ethical conduct has become an important consideration, especially for human resource management, because of its influence on managerial behaviour. For example, there is increasing

publicity in the media about organisations who are being accused of abusing employee rights and exploitation. Managerial work is so complex, ambiguous and at times confusing, it is not possible to legislate or create an all embracing framework of moral competences point to the dilemmas facing managers who subordinate their moral values to the notion of 'corporate good' and that in such instances, simplistic ethical rules and codes of practice may not be helpful to managers and serve only to create 'managerial cynicism'. Managers and developers should 'catch' and confront each other's conduct as it occurs and discuss its legitimacy. But such a course is likely to be uncomfortable and will rely upon a close relationship between developer and manager.

### **13.7.2 The Future of Management Development**

Management Development is future-oriented in that those responsible for development will have to form views about the way management as a profession will progress and the skills and knowledge that will be required in the future. The following are trends, which seem likely to develop in future:

- Organisations will continue to decentralise and seek greater flexibility from their workforce.
- Managerial control will change as a better educated workforce, the growth of professionals in the workforce and new technology will lead employees to demand greater autonomy over their jobs and working lives.
- There is an increasing awareness that people represent a real source of competitive advantage. The competitive gap is narrowing as technology becomes cheaper and more widely available, barriers to competition are removed and markets are 'globalised'.
- The growth of Information Technology (IT) has led to information being more available and more accurate than ever before. Instead of 'tiered ranks' of middle managers manually collecting, sifting and analysing information for decision-making and control purpose, technology has enabled strategic decision makers at senior manager level to obtain an immediate and detailed view on how their organisation is performing.
- Managers will be expected to adapt and respond to environmental and organisational changes.
- Managers of the future will possess skills and attributes that are markedly different from those that have gone before. The emphasis will shift more to managing people and developing flexibility, adaptability and coping skills in the face of complexity and relentless and unremitting change.
- The notion of established career paths and career ladders would have to change.

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## **13.8 EVALUATING MANAGEMENT DEVELOPMENT**

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In most organisations evaluation is carried out at three stages. The evaluation of management, education and training tends to concentrate on the input process stages and less on the effects of the activity. Where evaluation does take place at the output stage, it is usually immediate in time scale and narrow in both scope and content, i.e. questionnaire issued at the end of a training course.

To conduct evaluation effectively data must be gathered. A range of methods can be employed:

- In-course and post-course interviews and questionnaires

- Attitude surveys and psychological tests
- Observation by trainers, managers and others
- Self-reports by managers

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## 13.9 CONCLUSION

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The future of organisations based on management development. In this unit we discussed the objectives of management development, relation between HRM and Management Development, and various approaches to management development, future of management development and management education and training.

Evaluating the success or otherwise of a systems-wide management development programme is extremely difficult and in most cases it has to rely on an intuitive, ideological belief that development will improve organisational effectiveness.

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## 13.10 KEY CONCEPTS

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|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Informal Management</b>    | : Informal interface between management and workers is suited to the knowledge era when workers resent task-oriented, directive leadership and feel encouraged by a participatory culture. Participatory management is facilitated by personalising organisational culture, deemphasising hierarchy and promoting informal interface between management and workers. 'Management by wandering around' is currently in vogue, which effectively deemphasises hierarchy and promotes informal communication in the organisation. |
| <b>Management Development</b> | : It means developing managerial capacity through training sessions geared towards information sharing and devising means of improving upon employer employee interface with a view to making it more meaningful and value adding. Leadership is an emerging area of professional expertise. As per situational paradigm of leadership, leadership skills may be acquired by learning. Research and development activity in the field has made it possible.                                                                    |
| <b>Organisational Power</b>   | : Organisational effectiveness transforms to organisational power, understood as the potential of an organisation to maintain internal balance and impact the environment in a positive way. Organisational power emerges from sound economic and ethical functioning. Resource constraint is major consideration in determination of organisational efficiency. Ethical functioning is imminent for organisational effectiveness.                                                                                             |

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## 13.11 REFERENCES AND FURTHER READING

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## 13.12 ACTIVITES

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1. Explain the meaning and importance of Management Development.
2. Discuss the main approaches to Management Development.
3. Examine the issues and controversies involved in Management Development.