



A Survey Research of Contemporary Management Development Practices In Malaysian Corporations

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Abstract

This survey was designed and developed to assess key issues related to management development practices in Malaysian corporations especially on needs assessment, programme selection, programme evaluation, and future directions and trends. The survey research instrument is a questionnaire that was distributed to 189 selected Malaysian corporations listed on the Main Board of the Bursa Malaysia or formerly known as Kuala Lumpur Stock Exchange (KLSE). These corporations represent a cross-section of local industries and was selected through stratified random sampling. The 16-percent or 31 responses were collated and the data analyzed and interpreted using descriptive statistics. The major findings suggest that despite being aware of the importance of MD practices to achieve productivity and enhance corporate performance, most Malaysian corporations are unsure how to practise MD. They seldom implement value-added MD programmes to improve managerial productivity and enhance managerial performance achievements. The main reason given is cost-effective considerations vis-à-vis actual bottom-line results. Specifically, the majority of the respondents articulated their concern over several areas such as the lack of needs assessment, indiscriminate programme selection, non-standardized programme evaluation and vague ideas about future directions and trends in MD activities. On the whole, the survey research suggests that there is a need for Malaysian corporations to redress the prevailing weaknesses so that any concrete management development initiative undertaken can produce the desired results and productivity outcomes including bottom-line achievements.

Keywords: Management development, Needs assessment, Programme selection, Programme evaluation

1. Introduction

Asian nations are aware of the critical impact of management development (MD) on organizational effectiveness and competitiveness (Jain, 1987) and as a result, MD is seen as an integral component of the corporate strategy and overall development of organizations (Heng, 1987). More recently, Bontis, Chua and Richardson (2000) argued that there exists a positive relationship between MD and business performance, in this regard, the discussion is receiving increased attention. Despite recognising the importance of MD to corporate effectiveness, very little research about MD has been conducted (Abdullah, 1994; Hamid, 1985). The purpose of this study is to survey selected corporations from the KLSE Main Board in Malaysia to understand the practices and trends in MD and to examine these issues by industry type.

Over the past 20 over years, the pace of development of the Malaysian economy has been considerably rapid. Throughout the 1970's, the economy grew at an average annual rate of 7.8 per cent (Malaysian Second Outline Perspective Plan, 1990). Strong growth in both public and private investment during this period stimulated domestic demand and contributed to a consistent rise in income and employment. The effect of global economic recession in the early 1980's and the severe worsening of Malaysia's external trade performance led to a general slow-down in growth. The second half of the 1980's saw the economy coming out of the recession and recording GDP growth rates of 6.7 per cent per annum.

During the same period, substantial structural transformation in the composition of output, employment as well as exports occurred. The manufacturing and services sectors respectively contributed 2.1 per cent and 3 per cent out of 6.7 per cent GDP growth per year during the period 1970-90 (Malaysian Second Outline Perspective Plan, 1991). Despite the performance of the manufacturing and services sectors over the past two decades, it is widely believed that these two sectors are significant in terms of their contribution to economic development, there is a lack of MD and training in the industries to support the national industrialization drive (Report of the Cabinet Committee on Training, 1991; Bontis, Chua & Richardson, 2000).

Most Malaysian manufacturing and services industries are still using tangible assets such as buildings and equipment as an organizational performance measurement. The knowledge-based business environment that Malaysia and many other countries are currently developing requires a new model of MD which encompasses intangible assets such as MD

practices that could help in establishing organizational competitiveness.

Very little research about MD has been conducted in Southeast Asian countries and none of the research has focused on what Malaysian organizations are currently doing in this field (Hamid, 1985; Hashim, Wafa & Sulaiman, 2003). In the West, a substantial portion of MD research has focused on training techniques (Hughey & Mussnug, 1997; Kaplan, Drath & Kofodimos, 1987; Vinten, 2000) and assessment of different approaches (Burke & Day, 1986; Garavan et al., 1995). However, very little research has focused on what organizations are currently doing in these areas including trends and issues (Saari et. al., 1988).

The purpose of this research is to survey current MD practices adopted by large Malaysian corporations in the manufacturing as well as services and trading sectors and to examine current MD issues and future trends. Specifically, the investigation focuses on topics such as training needs assessment, programmes selection, programme evaluation and future trends. The crucial role of MD in developing organizations has yet to be carefully examined in the Malaysian context. It is partly for this reason that this study was formulated to investigate contemporary MD practices of Malaysian corporations. It is hoped that the research findings would be able to throw some light on the emerging role and current MD practices in the Malaysian corporate sector.

More significantly, it is useful to know and understand the MD practices of the manufacturing and services sectors as it will provide insight into the overall picture of MD practices, particularly in the aspects of needs assessment, programme selection, programme evaluation and future trends. This information serving as a pedagogical tool, would be useful to the management of organizations in Malaysia to improve their understanding of the importance and implementation of various aspects of MD practices.

Hence, to achieve the purpose and objectives of this study, an attempt is made to provide answers to the following research questions:

- (1) What are the general MD practices of manufacturing, services and trading industries in Malaysia?
- (2) Is there any relationship between MD practices and types of industries?
- (3) What are the main perceived benefits when selecting MD approaches in manufacturing and services sectors in Malaysia?
- (4) What are the trends and future directions of MD practices in the manufacturing and services sectors in Malaysia?

2. Literature Review

According to Taylor (1984), in order for corporate management to face the future challenges, their organizational success will require an all-out effort in every field of business management. He suggested that organizational development, especially MD, will have to play a more important role in a well-coordinated programme of organizational changes. MD practices need to be interlinked with corporate policies and strategies in order to ensure organizational effectiveness.

Taylor (1984) also emphasized that it is imperative to develop managers for strategic thinking and action. This emphasis on the emerging role of MD is in line with current developments in the field of human resource management.

In the local context, a survey conducted by Hamid (1985) reported that 60.4 per cent of employer-respondents from Malaysian companies acknowledged the importance of MD programmes. The respondents attributed the objectives of their MD programmes to efforts in improving job skills, productivity and efficiency as well as preparing for management succession. However, the findings were limited to the various types of company such as the sole proprietor, partnership, private and public limited companies and does not differentiate between manufacturing and services industries in terms of their MD practices.

The need for MD in the corporate sector is crucial. As Malaysia is basically an open economy, the corporate sector, especially investment in the manufacturing sector, is expected to grow at more than 65 per cent annually (Malaysian Second Outline Perspective Plan, 1991). It is in this economically promising scenario that there emerges the future role of MD in enhancing and sustaining corporate viability, profitability and excellence.

Roos et al. (1997) argued that managers develop organizational competence through education and development. Intellectual agility enables managers to think of innovative solutions to problems and issues. Similarly, Hudson (1993) and Bontis (1998) regarded MD as the basis for building corporate human capital and capability.

Apart from stressing MD as the key strategic mechanism for developing organizational and managerial competency and capability, Doyle (1994) stressed the importance of effective MD in terms of systematic needs assessment. He observed that MD needs analysis has been traditionally conducted in a piecemeal approach. This view is affirmed by Mumford (1993) who pointed out that needs analysis should be consistently reviewed and modified in response to changing situational contexts.

In their study on MD programme selection, Burgoyne and Stuart (1991) contended that MD programme selection is

viewed by practitioners simply as a way to choose a programme that matches its organizational objective and specific required content. Margerison (1991) found that MD programme selection had become a dynamic process and learner oriented rather than a static, product and instructor dominated. The studies illustrate the crucial need to examine the transfer of knowledge and behaviour of a MD programme to organizational work settings. In this context, Hogarth (1980), in his study on the effectiveness of MD on organizational performance identified six critical factors that affect the transfer of learning to the work place. They are (1) the support of the work environment; (2) the job itself; (3) organizational policy; (4) top management involvement and commitment; (5) organizational structure; and (6) economic situations.

In his study of programme evaluation, Mole (1996) advocated that evaluation should adopt a holistic perspective to the extent that how much of MD fits with the organizational needs and context. Smith (1993) affirmed that MD programme evaluation should integrate both internal and external organizational factors in order to be realigned with their learning, adaptation and renewal. In this regard, Brinkerhoff (1987) has proposed a six process model for evaluation purposes, namely, (1) evaluation of needs and objectives; (2) evaluation of design; (3) evaluation of operation; (4) evaluation of learning; (5) evaluation of usage and endurance of learning; and (6) evaluation of pay-off. Finally, Brinkerhoff's model assured a dynamic and interactive design by highlighting the multiple effects of MD and the recycling process of programme evaluation.

As there are many sources which have extensively reviewed the MD literature, the focus of this paper will be to examine the MD practices of large companies representing both the manufacturing and services industries in Malaysia.

3. Methodology

Given the important role KLSE Main Board listed companies play in the country's development, it was decided that the five major sectors, namely manufacturing, trading and services, construction and properties, finance and plantations be included in this study. As small companies might not practice MD, they were excluded from the research (Hamid, 1985). This study used a self-administered mailed-questionnaire that was sent to 189 out of 570 KLSE Main Board listed companies across industry types. Stratified random sampling was used to select the sample. Responses were obtained from 31 out of 189 companies giving a response rate of 16 per cent. These are responses with complete information indicated from the questionnaire. Partial or incomplete responses were rejected and not taken into consideration for the analysis. The respondents consisted of 15 manufacturing companies, 8 trading and services, 4 construction and properties, 2 financial and 2 plantation companies. Due to the small number of non-manufacturing and services respondents (i.e. construction and properties, financial and plantations), it was decided that services, construction and properties, financial and plantations companies be grouped together. Hence, the manufacturing companies will be referred to as M; trading and services, construction and properties, financial and plantations organizations will be referred to as S&T (services & trading).

The questionnaire consisted of 35 itemized questions. It contained four main parts that measured training needs assessment, programmes selection, programmes evaluation and future trends. The questions were fundamentally based on the study by Saari, Johnson, MacLaughlin and Zimmerle (1988) and had been adapted to suit the objectives and goals of this survey research.

The survey by Saari et al. (1988) focused on the practices and trends of 611 small to large US organizations having at least 1,000 employees in the field of MD. The study examined topics such as needs assessment, MD approaches, reasons for selecting MD programmes, evaluation of the programme and programme content based on the following programme: university residential, executive MBA, short-course and company-specific. The research found that only 27% of the organizations conducted needs assessment. Multiple MD approaches, especially on-the-job training was reported to be widely used. Programme content and manager's needs were the primary factors when selecting MD programmes. The majority of organizations do not evaluate programmes and most organizations cited strategic planning and managing people as the most important programme content which needs more attention in the future.

The questionnaire used in this survey focuses on four major MD approaches, namely, the university residential programme, executive MBA, short course and company specific programme type. The questionnaire was to be completed by a person responsible for human resource especially in matters regarding management development practices. Respondents were encouraged to ask questions about the purpose of the survey through the telephone in order to ensure that the meanings of the questions were clear and fully understood.

The survey was based on questions with response categories or structured questions which need definite answers such as yes or no and other open ended categories or unstructured questions which allow free expression of respondents' opinions. Descriptive statistics, mainly, percentages were used to reflect the contemporary situation of management development practices of industry-type and their approaches to management development. A high percentage of response suggest a high degree of agreement with the statements of the questionnaire.

4. Limitation of the Study

This research is based solely on survey methodology. Although the survey was based on a randomly stratified sample across industry type, their overall response on MD practices may not necessarily be representative of other Malaysian organizations, for example, companies listed in the Second Board of KLSE and other small and medium size enterprises. In short, as the research is only confined to larger organizations (companies with 500 or more employees and a minimum paid-up capital of RM60 millions), the findings cannot be generalized to represent the experiences of small and medium size companies (organizations with lesser than 500 employees and lower than minimum paid-up capital of RM60 millions). However, the information and data obtained from the study can be useful as a source of reference for studies in similar industry sectors in developing countries.

The low response rate of 16% is a limitation that can only compound the biases of the research findings which are confined to only, the M and the S&T industries. A reason of low response rate could be because of the extensive questionnaire that requires a long time to answer that deter from more participation. However, a way to eliminate this bias is to include cross sectional sampling that covers more than just two-sector survey, such as involving samples of small, medium and large corporations across industry types in Malaysia, with better and more attractive questionnaire instruments.

This research mainly relies on observations, opinions and information provided by the respondents. In ascertaining the presence of MD, particularly the phases of needs assessment, programme selection and evaluation, there was no cost-benefit analysis made. This is because the data was analyzed without relating it to investment justification and rationale on MD practices. According to Garavan et al. (1995), MD should be presented as an activity that is able to fulfill a functional performance rationale with direct improvement on corporate benefits. The investment justification of MD will be made explicit considering the cost and benefits factors. Future research should remedy this limitation by addressing the issue in additional perspective.

When examining issues related to MD, it is suggested that future research should include SMEs (Small and Medium Size Enterprises) in order to create a more MD findings to Malaysian corporations in general. Thus, a large scale of survey should be conducted to include carefully selected samples of SMEs in order to understand the practices and trends in MD in Malaysian corporations.

In addition, it is also appropriate to conduct the similar research in the duration of every 5 years. This is suggested with the purpose to provide the most contemporary findings of MD in Malaysians corporations as current state of MD practices matters in terms of reflecting the mindsets of most organizational leadership.

Future research can also focus on governmental administrative development (besides private sector) by focusing the similar research merely on governmental organizations. As government is a focal point in business activities in Malaysia, it seems appropriate to have such research conducted to address the relevant developmental problems and issues in order to improve administrative effectiveness and efficiency.

5. Result and Discussion

This discussion is divided into four main parts namely, needs assessment, selection of programme, programme evaluation and future direction and trends.

5.1 Needs Assessment

The result shows that 83.8 per cent of the M and S&T firms have a management training and development policy. This figure as indicated in Table 1 suggests that firms do recognize the importance of MD policy as part of corporate activity. M firms appeared to have instituted MD policy slightly more than S&T. About 87 per cent of M firms and 81 per cent of S&T firms have a policy that requires managers to participate in formal MD programmes. The reason both industries recognize the importance of MD policy could be because it is vital in attracting, retaining and developing competent management personnel.

The findings suggest that firms may recognize the importance of MD and consider it as important as corporate priority other than profit achievement. As a policy is a statement of intention of the organizations to practice MD, it suggests that the corporations could have benefited at one time or another from MD practice.

Despite recognizing the importance of MD policy, the survey result shows that 90.4 per cent of all firms do not have needs analysis when it comes to MD practices. A total of 93.4 percent of M firms and 87.5 percent of S&T firms have no specific documented procedures or practices for determining developmental needs of their managerial people. See Table 2. These results are relatively high when compared to the USA where more than two-thirds of the largest companies conduct systematic needs assessment procedures (Saari et al, 1988).

In other words, there is still no existence of a systematic or structured MD needs assessment approach and procedure. The main reason behind the findings may be related to the absence of professional knowledge in MD planning and the failure and reluctance to allocate funds for MD in Malaysia due to limited knowledge in MD.

The findings also suggest that it could be possible that new managers have yet to benefit from existing MD programmes. Some are also unaware that their companies have not conducted needs analysis and have yet to internalize the policy through the implementation of recommendations and translate it into practical terms for the organization.

Being a public listed organization, the respondent organizations could have conducted needs analysis for their MD programme. But the issue is more of a financial one rather than a human resource one as the public listed corporations are always being pressured to perform financially. The corporations may not be able to understand the relationship between the MD programmes and company performance.

In addition, there could be existing MD programmes which are taken for granted and perhaps, these MD programmes need to be overhauled in order to produce better financial and human resource results.

The comparison of these results provides an important insight that: while both M and S&T firms may be committed to MD through policies, they either disregard or fail to see the significance of integrating MD into their organizational strategic planning process. In other words, the corporations fail to recognize the strategic value of MD and are not well versed in establishing and implementing MD practices. It is suggested that there is a need for Malaysian corporations to change the perception of MD and learn to understand the strategic role of MD within their own organizations.

Table 3 shows that the companies have indicated their reliance on several sources of information which are based when considering needs of management training and development. The main sources are direct supervisors (93 per cent for M firms and 81 per cent for S&T firms) and performance appraisal results (80 per cent for M firms and 75 per cent for S&T firms). 75 per cent of S&T firms use changes in work as a method while 73 per cent of M firms rely on the attendees themselves as sources of training and development needs. Other types of sources used by these companies are promotion decisions and previous programme results. Manpower planning, is the least important source of information with 40 per cent of M firms and 37 per cent of S&T firms using this method.

This study found that the reliance of companies on direct supervisors and performance appraisal results as sources of information is consistent with corporate management practices of developing economies. Ong (1987) suggested that coaching and supervising should be linked to performance appraisal reviews and results as these two are the synergistical elements of a performance management system.

It is suggested that as needs assessment determines the gap between the current and desired performance (Kaufmann & English, 1979), the absence of systematic and structured needs assessment will be a severe drawback to Malaysian organizations' MD efforts. Thus, the knowledge of needs assessment and analysis may help to reduce MD cost by placing the right candidates in the right programmes.

5.2 Selection of Programmes

Table 4 shows the frequency of MD approaches for M and the S&T firms in percentages. It is worth noting that M and S&T firms mainly rely on short-course and company-specific. A total of 80 per cent of M firms and 81 per cent of S&T firms chose short-course, while 73 per cent of M firms and 75 per cent of S&T firms selected company-specific programmes. Most Malaysian companies adopt the least formal MD approaches when compared to the more formal programmes. This is evident from the fact that only 26 per cent of M firms and 31 per cent of S&T firms used university residential and 33 per cent of M firms and 37 per cent of S&T firms chose executive MBA when considering their management development approaches. Whether a corporation employs MD approaches depends on the industry with both M's firms and S&T firms are most likely to have short-course and company-specific programme (73-81% across industry type) and less likely on residential university and Executive MBA (26-37% across industry type). Hence, it seemed that selection of MD approaches is dependent on the industry, in other words, the tendency of M firms and S&T firms when selecting the MD approaches are towards short-course and company-specific rather than the university residential and executive MBA.

However, the results seem to be contrary to the findings of Saari et al. (1988) which showed that formal educational programmes were the most popular among US organizations. Thus, it is suggested that formal developmental programmes which has proven very popular and useful in the West, is rarely used in Malaysia. This could be because of the shortage of the formal developmental programmes.

Malaysian M and S&T companies reported different reasons when selecting their MD approaches. Table 5 shows that the primary reasons indicated by M firms were to broaden the individual's perspective (54-80 % across approaches), a chance to interact with other executives (41-80% across approaches), to obtain state-of-the-art knowledge and skills (45-75% across approaches) and obtain general management education (45-80% across approaches).

The least indicated reason when considering developmental approaches was reward to the executives (20-36% across approaches). This was also found in Saari et al.'s (1988) study. Another less important reason indicated was to prepare individuals for their next job (25-41% across approaches)

It is worth noting that M firms reported that obtaining job-specific knowledge and skills was the primary reason when selecting short-course and company-specific developmental approaches. In this regard, short-course was indicated at 83 per cent and company-specific was indicated at 90 per cent. University residential and executive MBA was only indicated at 25 per cent and 20 per cent respectively. It is thus suggested that most Malaysian M companies opted for practical job related developmental activities rather than the formal MD programme.

This research also observed that M firms perceived that University residential and Executive MBA benefited most in terms of broadening the manager's perspective, providing a chance to interact with others and obtaining general management education. The percentages recorded were at 75% for University residential and 80% for Executive MBA for all three reasons. Another primary reason considered when selecting formal educational programmes was to obtain state-of-the-art knowledge and skills for their participants respectively at 75% for University residential and 60% for Executive MBA.

As for the S&T firms (Table 6), their primary reasons for sending their managers to University residential and Executive MBA were to broaden their managers' perspectives and obtain state-of-the-art knowledge and skills. The percentages recorded at 80% and 83% respectively is relatively higher than M firms. When considering short-course and company-specific programme, the primary reasons were to obtain job-specific knowledge and skills, both at 84% and 83% respectively. This finding may reflect that the service and manufacturing sectors in Malaysia both put a similar emphasis on primary reasons when selecting the developmental approaches.

The perceived benefits when selecting MD approaches are shown in Table 7 (M firms) and Table 8 (S&T firms). The most important reasons indicated are program content (75-92% across approaches), the needs of participants (75-91% across approaches) and the effectiveness of the program (75-92% across approaches). There are major differences across approaches regarding the importance of program length (20-84% across approaches) and the program fees (25-83% across approaches). These five reasons are indicated as the most important factors when selecting and deciding on these developmental approaches. These results, in general, confirm with the findings of Saari et al. (1988)

5.3 Programme Evaluation

This research also shows that 93 per cent of M firms and 87 per cent of S&T firms have no systematic follow-up procedures for evaluating the effectiveness of MD programmes. When asked about the approach the organization uses to brief participants prior to attending the management development program, 86 per cent of M and 81% of S&T firms reported that participants are not generally briefed before attending the programme. It is worth noting that 80 per cent of M firms and 75 per cent of S&T firms have no feedback from the participants regarding their assessment of the programmes attended.

This suggests that Malaysian companies generally lack organizational skills in evaluating MD programme effectiveness. These results concur with the study by Trapnell (1984) stating that effective evaluation should be multi-dimensional, aiming for improvement both in program design and effect. In another words, the evaluation should adequately assess its context, input, process, product and the final impact of the programme.

6. Future Directions and Trends

When asked about the company's use of current MD approaches in the next five years, 75 per cent of M and 81 per cent of S&T firms expect an increase use. Table 9 and Table 10 show the main reasons both sectors gave for the increased usage of current MD approaches. They are the need to update managers on changing concepts/skills (75-83% across approaches for M firms and 60-69% across approaches for S&T firms), new corporate emphasis on MD (50-75% across approaches for M firms and 80-84% across approaches for S&T firms). However, S&T firms also reported more managers in their companies as a main reason for the increased use of MD approaches (40-75% across approaches).

When asked about management development content areas and specific topics that need additional emphasis in the next five years, for M's firms users of University residential and Executive MBA, the most frequently indicated topics are strategic planning (77%), managing human asset (66%) and decision making (55%). As for the short-course and company-specific programs, the emphasis is more on management and communication skills (65%) and IT knowledge (43%).

Finally, this research also observed that for S&T firms, the topics that needed more emphasis for formal programs are strategic planning (54%) and managing change (63%). As for short-courses and company-specific programs, the emphasis is on job skills (52%) and computers technology (40%). These results are consistent with Mintzberg's (1980) management theory which indicate that formal education and development shape the knowledge of an individual (i.e. strategic planning, managing human assets and decision making) to develop conceptual skills whereas short-courses and tailored programs train organizational technical skills such as practical job skills and computer application knowledge.

7. Conclusion & Implications

In conclusion, it appears that although Malaysian companies are conducting some aspects of MD, these efforts are still

remained weak and deficient particularly in terms of needs assessment, programme selection and programme evaluation. With increased awareness of industrial competitiveness, inadequate needs assessment, programme selection and programme evaluation will make organizations vulnerable to pressures of competition. Both manufacturing and services sectors are very reactive to the overall process of organizational MD at upgrading the Malaysian managerial skills and capabilities.

Even though the findings suggest that M and S&T firms do have some awareness of the importance of MD practices, there is still much can be done to upgrade the knowledge of the entire MD process. If current attitudes among the Malaysian firms towards MD prevail, it could result in a gradual decline in overall organizational competitiveness as developing executives and managers is perceived as a key to organizational success and performance (Lees, 1992).

Thus, despite the difficulties that originate from negative attitude or lack of information about MD, adequate planning, implementation and follow-up of MD efforts of Malaysian companies could be established through consistent policy or initiative and implementation of MD programmes. It is suggested that systematic needs assessment, proper programme selection and effective programme evaluation should be practiced by the firms.

Proactive programme evaluation should focus on practical results and transference of knowledge and skill to the workplace. Kirkpatrick (1979), Vinten (2000) and Dikken and Hoeksema (2001), Mahieu and Stuart (2001), Kirkbride (2003) and Longenecker and Neubert (2003) argued that the most practical programme evaluation approach concentrated on effects of the application of learned concepts and information on the company. It is suggested that MD practices should be linked with other corporate activities (e.g. reengineering, organizational learning and knowledge management) to provide a clear perspective to organizations and managers about the practicality and application of learned knowledge and skills.

The findings of this study shed light on contemporary MD practices in Malaysia; the issues raised may be of value to both academics and practitioners in other developing countries. Deficient needs assessment, programme selection and programme evaluation need to be remedied. However, the increased use of MD approaches indicate a growing commitment among Malaysian firms to MD and suggest that companies are starting to concentrate on areas of MD practices.

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Table 1. Industry Type and Management Development Policy

Does your company have a policy that requires managers to participate in formal management development programmes?			
	No	Yes	Total
M	2(13.4) ^a	13(86.6) ^a	15
Percentage	6.5	41.9	48.4
S & T	3(18.7) ^a	13(81.3) ^a	16
Percentage	9.7	41.9	51.6
Total	5	26	31
Percentage	16.2	83.8	100

Note: ^a numbers in parentheses are the percentages of the total which the numbers represent.

M= Manufacturing firms

S&T= Services & trading firms

Table 2. Industry Type and Needs Analysis

Does your company have documented procedures or practices for determining the management development needs for managers (i.e., for conducting a needs analysis?)			
	No	Yes	Total
M	14(93.4) ^a	1(6.6) ^a	15
Percentage	45.2	3.2	48.4
S & T	14(87.5) ^a	2(12.5) ^a	16
Percentage	45.2	6.4	51.6
Total	28	3	31
Percentage	90.4	9.6	100

Note: ^a numbers in parentheses are the percentages of the total which the numbers represent.

M=Manufacturing firms

S&T=Services & trading firms

Table 3. Sources of information about management development needs as indicated by M and S&T firms

Source	M (%)	S&T(%)
Supervisors	93	81
Change requirement	66	75
Trainees themselves	73	62
Performance appraisal results	80	75
Promotion decisions	46	68
Previous programmes result	66	68
Manpower planning	40	37

Note:

M=Manufacturing firms

S&T=Services & Trading firms

Table 4. Most prominent management development approaches in M and S&T firms

Approaches	M (%)	S&T(%)
University Residential	26	31
Executive MBA	33	37
Short-course	80	81
Company-specific	73	75

Note: M = Manufacturing firms

S&T=Services & Trading firms

n=31

Table 5. Perceived benefit indicated as primary importance when selecting management development approaches by M firms

Reasons	University Residential (%)	Executive MBA (%)	Short-Course (%)	Company-Specific (%)
Broaden the individual's perspective	75	80	58	54
Chance to interact with other executives	75	80	41	45
Obtain job-specific knowledge / skills	25	20	83	90
Obtain state of the art knowledge / skills	75	60	50	45
Reward to the executives	25	20	33	36
Prepare individual for next job	25	40	41	36
Obtain general management education	75	80	50	45
Cost-effective relative to other programs	-	-	41	54
Obtain quality instruction	-	-	33	45

Table 6. Perceived benefit indicated as primary importance when selecting management development approaches by S&T firms

Reasons	University Residential (%)	Executive MBA (%)	Short-Course (%)	Company-Specific (%)
Broaden the individual's perspective	80	83	61	58
Chance to interact with other executives	60	66	38	41
Obtain job-specific knowledge / skills	20	16	84	83
Obtain state of the art knowledge / skills	80	83	46	50
Reward to the executives	20	16	30	33
Prepare individual for next job	-	-	23	25
Obtain general management education	40	66	38	50
Cost-effective relative to other programs	-	16	46	41
Obtain quality instruction	20	-	30	33

Table 7. Perceived benefits when selecting management development approaches by M firms

Reasons	Approaches			
	University residential (%)	Executive MBA (%)	Short-course (%)	Company-specific (%)
Program content	75	80	91	90
Program fees	25	20	66	72
Program length	25	20	75	81
Other participants/companies enrolled	25	20	33	36
Needs of participants	75	80	91	90
Regional convenience	50	40	58	63
Program effectiveness	75	80	91	90
Reputation of program	75	80	66	81
Reputation of organization/university	50	40	50	54

Table 8. Perceived benefits when selecting management development approaches by S&T firms

Reasons	Approaches			
	University residential (%)	Executive MBA (%)	Short-course (%)	Company-specific (%)
Program content	80	83	92	91
Program fees	40	50	76	83
Program length	20	33	84	75
Other participants/companies enrolled	20	50	23	25
Needs of participants	80	83	84	91
Regional convenience	40	50	46	33
Program effectiveness	80	83	92	91
Reputation of program	60	66	53	58
Reputation of organization/university	40	50	46	50

Table 9. Major reasons given by M firms for increased management development by approaches in the next five years

Reasons	Approaches			
	University residential (%)	Executive MBA (%)	Short-course (%)	Company-specific (%)
More managers in our company	25	40	41	45
Program quality improving	25	20	25	27
Need to update managers on changing concepts / skills	75	80	83	81
New corporate emphasis or management development	50	60	75	72
Program becoming more cost-effective	0	0	16	27

Table 10. Major reasons given by S&T firms for increased management development by approaches in the next five years

Reasons	Approaches			
	University residential (%)	Executive MBA (%)	Short-course (%)	Company-specific (%)
More managers in our company	40	50	61	75
Program quality improving	20	33	38	41
Need to update managers on changing concepts / skills	60	66	69	66
New corporate emphasis or management development	80	83	845	83
Program becoming more cost-effective	20	16	18	33