Practices of Management Development:

A Malaysian Case Study

Kian Aun Law

Faculty of Management and IT, UCSI, UCSI Heights, Kuala Lumpur, Malaysia

Tel: 60-3-9101-8880   E-Mail: kalaw@ucsi.edu.my

Abstract

This paper deals with a case study of Management Development (MD) practices at Malaysian Assurance Alliance (MAA). The aim of this research is to investigate how a large Malaysian insurance corporation developed and integrated MD initiatives with current organizational needs and tasks. Attempts were made to map and categorize the MD initiatives according to position and course content both for the staff and agency. Analysis of historical records and semi-structured interviews were conducted to identify the organizational MD needs as a result of context and task. Findings show that a company-wide development system for staff and agency was effectively integrated to provide a direct support to competence management endeavour. The company's MD initiatives have also resulted in managerial implications including (1) increased effectiveness of MD initiatives through emphasis on needs and participation; (2) mutually conceived and aligned development system has formed a learning culture in Malaysian Assurance Alliance; and (3) effective MD initiative audit has ensured customer-oriented competence development in the organization.

Keywords: Management development, Integrated MD initiatives, Competence management, Aligned development systems

1. Introduction

MD is a practice that includes rules, guidelines and principles for developing managers in an organization. Significant value is derived when participants of MD programmes add their intellectual capabilities, drives, wishes and preferences in their career. An MD system thus helps the managers in unleashing their potential to reap the benefits to meet both individual and organizational objectives.

According to Reitsma (2001), the aim of MD includes developing future business leaders and equipping individuals to maximize their full potential in terms of knowledge and skill acquisition. MD is regarded as a key to organizational future success and performance (Newton & Wilkinson, 1995). In Malaysia, there appears to be a gap in MD research where analysis of MD practice in individual organizations is severely lacking and seems to have been neglected. Thus this study suggests to address and fill the gap of the identified weaknesses. In other words, very little has been done and a more focused research needs to be carried out to explore MD activities within an individual organization. In order to address this, an attempt was made to explore the categories of MD initiatives that were developed and how they fit into the organizational needs and tasks within   Malaysian Assurance Alliance, the selected case study organization.

According to Law (2007a) that organizations in Malaysia adopt different approaches of MD. The approaches include the university residential programs, executive MBA, short-courses and company-specific programs. The exploration of MD research in an individual organization will add to the knowledge obtained from the survey conducted by Law (2007b). This research will furnish empirical information for understanding the practice of MD themes and issues within one researched organization. This case study involves exploring MD initiatives by using semi-structured interviews to illustrate and describe MD practices. This would provide a source of qualitative information which adds to the information gathered from the studies by Law (2006; 2007a; 2007b).

This paper tries to explore MD practices developed in a large Malaysian insurance company, Malaysian Assurance Alliance and assess how MD initiatives fit into the organizational needs and tasks. A case study approach was used to describe the emergence of MD initiatives and practice with the managerial implications at MAA.

1.1 Purpose of the study

The research purposes of this study are:

- To investigate how a large Malaysian insurance organization developed and integrated MD initiatives with current organizational needs and tasks.

- To categorize MD initiatives developed within the organization based on position   in the organization and course content.
- To investigate whether the MD initiatives are drivers in producing managerial implications, such as the organizational bottom-line result, cultivation of learning culture and consumer-oriented competent development.

2. Method

According to Yin (1994), a case study is a preffered research strategy when "how" or "why" questions are being posed, when the researcher has little control over events, and when the focus is on a contemporary phenomenon within some real-life context. As opposed to a comparative analysis of several firms, this research uses a single organization and focuses on historical records and interviews to achieve the purposes of the study. This research serves as an exploratory device in identifying issues within an organization rather than testing hypotheses. This is a case study which is embedded with several units of analysis, such as organizational units and MD initiatives and practices. The survey by Law (2007b) provides a useful insight into some of the opinions, experiences and issues of MD practices in corporations in the Kuala Lumpur Stock Exchange (KLSE) and provided invaluable data for this case study. Future research is recommended on testing of relevant hypotheses.

MAA was chosen based on three criteria. Firstly, the length of its existence which implies that MD track records could be traced to form a trend or to support the issues and hypotheses. Secondly, its relatively huge market capitalization and thirdly, it represents the service sector which practises MD initiatives rigorously in Malaysia. The existence of MD initiatives and practices make MAA an interesting subject of study.

MD initiatives were identified by the top management who were the key decision makers to MD strategies. Participants were recruited based on their recommendations. Participants were divided into three groups, namely top management, MD personnel (specializing in MD) and field agents (MD utilization group). The selection is intended to cover the whole range of MD activities and approaches at MAA. Selected participants were then interviewed based on semi-structured interview format.

Interviews were conducted based on semi-structured open-ended questions. The questions were:

- Does your company have any formal policy concerning MD?
- What does it say?
- Does top management have an understanding of key MD issues?
- Has a MD audit be done?
- Has MD initiatives been matched to the corporate strategy?
- What are the MD initiatives you are involved in?
- How does it fit into MAA's organizational needs and tasks?
- What are the perceived obstacles?
- Have strategic MD initiatives and practices been coordinated and integrated with other interfacing functions?

In analyzing the qualitative data, interview notes were written into protocols and coded into three general issues, namely general company issues, specific program or unit issues and interaction between staff and agency.

This case study design, analysis and interpretation were used by Yin (1994), Easterby-Smith et al. (1993) and Miles and Huberman (1994). According to these researchers, case study research methods help to provide qualitative data in terms of document design, write up, coding field notes and data display. Nevertheless, a potential weakness of this research design may be atypical of the industrial sector particularly the insurance industry in Malaysia. However, given the difficulties of   data accessibility, this problem is judged acceptable (Easterby *et al*., 1993).

3. Result and Discussions

3.1 Case study: MD at MAA-emerging needs and initiatives

3.1.1 A profile and general case background of MAA

Established in 1968 as an insurance company, MAA has since developed into Malaysian's leading insurance organization and is a listed company on the main board of the KLSE. With shareholder fund of over RM 187 million and asset backing of over RM 1.5 billion, MAA is currently the biggest capitalized Malaysian insurance company in the country.

Over the years, MAA has recorded excellent growth in generating income and bottom line profitability. The Group's profit before tax as at 31 December 2002 increased by 6.4 percent to RM49.9 million from RM 46.9 the preceding year. Total operating revenue recorded a strong growth of 11.4 percent, which was in line with the overall Malaysian

insurance industry's performance. The total asset of the Group also increased by 9.3 percent to RM4.7 billion.

As advocated by Lane (1994), a high level of capability in terms of qualified, technically competent and proactive staff and agents has been essential for the the success of MAA's corporate performance. Based on its founding corporate philosophy, MAA has been continuously investing in human resource development to create a strong, united and dedicated team of staff and agents who are able to respond quickly and efficiently to the needs and requirements of Malaysians.

With the strong backing from world class international reinsurers, MAA is developing further as a comprehensive insurance company for the 21st century with the best knowledge and expertise to continuously come up with high quality, competitive and innovative products and services. To continuously enhance the skills and knowledge of staff and agency force, MAA spends millions of ringgit each year in training and development programmes.

MAA has forged a well developed workforce of over 1,100 staff and over 20,000 life and general divisions contracted agents. "Customer Comes First, Always and Everytime" is the corporate philosophy that promise to deliver the best to the customers through a well developed team of youthful, dynamic and energetic staff and agency force.

MAA's top management perceived MD initiatives within four activities, namely:

- competence management
- change management
- productivity and operational management
- talent management

Talent management is about recruiting the best workforce for continuous career promotion in management or agency expert roles alongside productivity and operational management. The synthesizing themes are competence management and change management through MD initiatives and practices to address the issue of "Moving Forward 2004" at MAA. MAA's top management also visualize MD as an approach for forming strategic competence potential, a means of communicating and building a strong corporate culture.

MAA now has several very ambitious MD initiatives, which are tied to perceived needs which address customer needs and preferences. Competence development and change management are thus the major concerns and seem as fundamental organizational skills.

3.2 Management Development in MAA

3.2.1 MAA's long term vision and management development

Over the years, MAA has recorded excellent growth in premium income and profit. The success can be attributed to the company's capability in developing a strong, competent, united and dedicated team of staff and agents. As a service organization, MAA carries out customer-oriented business activities based on its corporate vision and philosophy: " Customer Comes First, Always and Everytime". To promote future organizational growth in a competitive environment, the company set out its strategic management vision, "Moving Forward 2004" to guide business direction. The Action Plan "Moving Forward 2004" aims at continuously improving the best knowledge and expertise to consistently come up with high quality, competitive and innovative products. Conforming to Stewart and McGoldrick (1996), Garavan et al. (1995) and Iles (1993), MD initiatives at MAA emphasise both strategic and practical aspects of MD.

To help achieve the aims of the organization, the following principles have been established:

- Improvement of organizational capability
- Creation of strong corporate culture
- Development of competent workforce
- Promotion of information and communication technology
- Response to change management

This indicates that MAA acknowledges the importance of human capital through human development. Everyone from the management to the agency and from the lowest to the highest positions are given the opportunity to improve their competencies.

As the insurance industry in Malaysia is experiencing unprecedented intensified competition and there are drastic changes in the external environment as a result of Bank Negara Malaysia's (Malaysian Central Bank) new regulations and rules of policies, the key to excel in the industry is the ability of the organization to anticipate the future and shape proactive strategies in order to sustain competitive advantage through human development. The challenge is perceived as the most important commitment to provide customers with quality service and retaining their confidence and trust in

MAA, that:

"During the year, the group continued with its effort to improve corporate governance and maintain it at the highest level. In this respect, the group has formulated and carried out plans to improve productivity and operational efficiency, practice prudent financial management and reinforce further the role of information and communication technology, best practices in its internal business process with…………. The group will also continue to invest in its human resource development to create a qualified, technically competent and proactive workforce and agency force."
(Chairman of MAA)

From its experience, MAA has taken note of the importance of human resources in managing the business. MD in MAA is thus perceived as very important in determining the future destiny of the organization.

3.3 MAA's structure and system of human resource development

MAA strongly believes in the value of human assets to its business performance and continuously invest in MD to create a qualified, competent and proactive workforce. MAA's corporation-wide training and development programmes are managed and coordinated both by the human resource as well as the training and education departments at the head office. The Casa Rachado-MAA Training Resort located in Port Dickson, Negeri Sembilan was established for training activities. The center, which caters for any training activity of up to 200 participants at any one time, meets all the organizational training needs. There are two types of training, namely training according to the position and training according to content to the respective position. These training programmes are given to all workforce throughout the company all year around. MAA MD initiatives stem from the frequent review of organizational needs and tasks and is supported by the top management. Thus:

"*MAA has excellent programmes. All programmes for the agency are very good and important and well supported by the top management in the organization."*(Agency unit manager)

MAA's MD initiatives are thematically oriented towards competency development. The emphasis on the continuous development of workforce competence is a major concern in the organization:

"The training programmes are to help and build agency competency. MAA is doing very well in terms of communicating between the agency and the programme trainers. Usually, agency is more on the practical side whereas trainers are more on theories, so, it's better to combine the two….. "(Agency unit manager)

Training according to the position in the organization is designed for top management or directors down to staff or company employees, training for agency starts from agent to agency senior manager if the management path is chosen and to certified financial planner if the sales path is selected. The training programme is provided according to the content from insurance, finance, general management, ICT to leadership depending on the status or position in the organization.

3.4 MAA' Training and Education- The Casa Rachado Training Resort

Strengthening competent and change management is an important theme in MAA's action plan "Moving Forward 2004". To further improve the competency and proactivity of workforce, opportunity is given to performing employees to accumulate deeper management expertise through MD initiatives before promotion is suggested. Given the competitive structure of the insurance industry in Malaysia, MAA realizes the importance of management capability and has established a unique training and education centre- The Casa Rachado Training Resort caters to developing the required capabilities. Participants undergo systematic and intensive training in expertise and management knowledge and skills for strengthening competency and decision making process. Upon completion of any programme, the performance management system will be applied to improve programme implementation and programme effectiveness.

A congruent and well integrated development system is a distinguishing characteristic of the MAA MD system which consists of the following criteria:

- Participants include all levels of staff from top management to general staff to agency personnel.

- Flexible training period depending on programme type.

- Course content includes change management, latest management know-how and skills, MAA policy and system, continuous improvement in expertise competency and leadership qualities.

- The course is continuously improve through performance management system, improvement in competency gained in the course and wide-ranging special request training from quality service to mentoring and yoga designed to expand the participants' competency horizons.

3.5 MAA's MD initiatives for staff

3.5.1 Training for departmental heads (AVP and above)

The Leadership Engine Workshop (LEW) is a mandatory management programme which is a condition for promotion

into higher position in the organization. The programme aims to develop and strengthen participants' confidence in personal development and   organizational competitiveness in order to face increasing customer demand and preferences. As the training uncovers the weaknesses of leadership by assessing the degree of confidence,   participants have the opportunity for reflection of higher self awareness that is needed for improvement. This programme is highly rated by the participants.

The Four Roles of Leadership (FRL) is another compulsory development programme for the assistant vice president and above. The role of leaders can be seen in four styles, namely directive, supportive, participative and achievement-oriented, according to subordinate and situational contexts. Participants of this programme will gain a better understanding of effective leadership roles and action. MAA believes that developing good leadership will cultivate good and stronger corporate culture. This ambition is perceived as one of the most important agendas in MAA.

"*So, we have in mind that through programme participation, we would like to build a corporate culture, we would like to build the fundamental skills of participants"*(Training manager at head office)

3.5.2 Training for manager

Leadership Engine Workshop and Seven Habits of Highly Effective People are also mandatory management programmes at this level in MAA. Finance for Non Financial Manager (FFNFM) is the course that aims to equip managers with fundamental financial knowledge. Topics include business finance, financial environment, accounting and problems in financial management. As the roles of managers are not confined to managing a specific department, financial knowledge is important to every manager in MAA. The programme is designed to give participants an opportunity to understand the strategic aspects of prudent financial strategies in line with organizational goals and policy.

3.5.3 Training for executive

Overview of 7 Habits is the only mandatory development programme for MAA executives. The content is similar to Seven Habits of Highly Effective People but the course is more intensive. The purpose of this programme is to train the executives with preliminary leadership qualities.

3.5.4 Training for staff

MAA induction programme and Number One Organizer Training (NOOT) is designed to provide staff with knowledge of company policy and system. The programme is   centered on communication skills, methods of improving work processes and overcoming day-to-day operational problems.

3.6 MAA's MD initiatives for agency members

Since its inception in 1968, MAA has successfully developed thousands of successful agency members. Insurance, an integral part of financial knowledge, is designed for ambitious and dynamic agency to develop in the organization. The following programmes are designed for agents.

The Pre-Contract Examination Course (PCE) is an examinable pre-requisite course for prospective agents of MAA. It is an introduction to those who wish to embark on a successful career in the insurance field. It provides insight into how to start right in their chosen profession. In preparation for the course, participants are provided with a study guide and tutorial questions.

The Agency Discovery Program (ADP) is an incentive programme for new and contracted agents who is able to close six cases within the first three months. It aims to enhance an agent's selling skill by providing new agents with sales ideas and skills. Agency leaders and successful agents will provide useful insights and testimonials to encourage new agents to remain in the industry and enjoy a high return.

The Agents Training Program (ATP) is a mandatory course for new MAA agents. It consists of eight modules and is conducted by qualified trainers at branch offices throughout the country. The ATP is to be completed within six months of the agent being contracted.

The Certificate Examination in Investment-linked Life Insurance Course (CEILI) is an entry requirement for those who intend to sell investment-linked life insurance policies. It ensures that all MAA agents attain a minimum level of technical competency. Topics covered are technical financial knowledge, taxation and other aspects of investment-linked life insurance.

The Senior Agent Course (SAC) is conducted over a period of four days. It is targeted at agents of less than 18 months with MAA. The course focuses on professional selling skills based on prospects needs, which is the most important consideration in upgrading selling performance.

The Agents' Advance Course (AAC) is conducted for four days and is mandatory for agents of less than 24 months with MAA. The aim of this programme is to develop strong-willed, skillful agents for their long term and strategic success.

The Basic Agency Management Course (BAMC) is specially designed to cater to the needs of agents who aspire to become Agency Unit Managers. The BAMC teaches essential knowledge and skills of agency management which cater to the needs of new managers.

The Life Underwriter Training Course (LUTC) is a 26-week training programme conducted by the Malaysian Insurance Institute. The course covers basic sales skills from prospecting to closing in a systematic way.

7 Habits of Highly Effective People (7H) teaches habits of effective living in all facets of life. It is targeted for career agents, agency unit managers and agency senior managers. The skills learned will be invaluable for their life. MAA is the first insurance company in Malaysia to be licensed by Franklin Covey to deliver this highly-acclaimed human and corporate development course.

The Managerial Skills Program (MSP) is a comprehensive managerial skills training course to enhance the effectiveness of new managers. The course is mandatory for agency unit managers within 12 months of promotion to ensure the quality of MAA's agency management team. It focuses on case studies of actual agency management issues that agency managers regularly face.

The Professional Financial Course (PFC) allows agents flexibility and options in their sales career. It is aimed at agency members who wish to adopt a financial planning approach in their sales career. The PFC teaches the client-centered professional financial planning process.

The Agency Management Training Programme (AMTP) is a course that is mandatory for agency unit managers who aspire to become agency senior managers. The aspiring agency senior managers are exposed to essential aspects of life insurance agency management, concentrating on strategic issues.

The Associate Financial Planner of Malaysia (AFPM) is a single module programme which covers all aspects of financial planning in sufficient depth so that the financial advisors are well equipped with the necessary knowledge in their chosen fields.

The Certified Financial Planner Course (CFP) is an internationally recognized programme for financial planning. The course covers details of every aspect of the financial planning process.

3.7 Competence Management at MAA

Competence management is a main theme in MD initiatives which involves staff and agency workforce. Competence management at MAA is a system for establishing strategic and tactical competence needs. Conforming to Millett and Leppanen (1991), MAA believes that MD's fundamental function is to assist the company to develop competencies needed for future business challenges.

Since Prahalad and Hamel's seminar paper on competency (1990), there has been a surge of discussions in competences and competence-based training and development. Drejer (2000) defines competence from structural perspective as consisting of four elements namely; the technology, people, organizational structure and organizational culture and interaction among them. According to them, competences should be developed over time and types of competences ranged from simple to complex depend on number of technology and people within the organization.

Similarly, Assen (2000) and Sanchez et al. (1996) assert that competences are special types of assets and categories competences into strategic, organizational and individual. Thus, a competence-based training and development is a tool for managers; to use for strategy formulation (Prahalad & Hamel, 1990); to learn and evolve with change (Briscoe & Hall, 1999; Spearmann & Hopp, 1996; Woodruffe, 1991); to research on superior effective managers (Jones & Connolly, 2001).

On the other hand, Barton (1995) defines competence from the functional perspective stating that a competence ensures superior value to customers of the firm with innovativeness, high speed product development and customers likes. Holmes and Joyce (1993) see competence as involvement of identification of the key purpose or function of a task.

Competence-based management thus is the ability to learn, unlearn and relearn, on all levels within an organization (Assen, 2000). Similarly, Burgoyne and Stuart (1991) includes the competence-based management to do with learning, changing, adapting, forecasting, anticipating and creating change. As a result, competence management appears to be appropriate for the provision of directions for the creation of a performing organization.

However, the focus on competence is anti-theoretical (Doyle, 1994); neglects knowledge and understanding (Storey & Westhead, 1997); anti-learning because of assessment driven (Currie & Darby, 1995). Fuller (1994) further argues that the qualitative nature and diversity of managerial role particularly at the top management makes application of competence-based management become difficult.

The major philosophy instituted the following conceptual thinking:

- competence requirement - needs and level of individual and organizational competency

- current competence- status of present competence

- competence gap - the mismatch between competence requirement and current competence

MAA's current company-wide development system and plans were established and designed to close the competence gap and are consistently updated and reviewed. The competence requirements were based on budget and environmental needs as well as scenario planning. In addressing the need to fulfill the competence requirement, one commentator pointed out that MD initiatives were linked to "top management commitment" to organized MAA activity, and that:

"As far as training is concerned, whatever courses suggested must be in line with the company's vision and mission, top management will have their plans."(HR manager at head office)

Current competence is a direct result of the performance management system. In other words, MAA's competence management is a total system linking three subsystems, namely: (1) technical competence, such as ICT, finance and expertise knowledge; (2) human competence, such as communication skills, time management and leadership qualities; and (3) business competence, such as understanding insurance, English, presentation skill and understanding customer needs. Workforce performance is then matched to the MAA requirement profile and programmes are then suggested to address the specific competence gap for competence development. Nevertheless, MAA's development programmes, such as LEW, FRL, 7H, ATP, AAC and MSP are perceived to be the platforms for MD, they need to be further integrated with a more personalized competence that can be applied to various departments and overall organizational.

4. Theoretical Reflections

MAA's organizational experience shows a clearly conceived belief with respect to MD initiatives. There is evidence that such an endeavour is known and is well disseminated among top management, staff and the agency. This echoed Taylor and Gordon (1984) and Kirkbride (2003) claims that MD is a process of well disseminated and coordinated developmental programmes which can be linked to organizational success and competitive advantage. Likewise, it also agrees to Dikken and Hoeksema (2001) as well as Law (2003) claims that MD is linked with strategic organizational goals. MAA's organizational philosophy of continuous investment in workforce capabilities also supports Hitt's (1987) and Paauwe and Williams (2001) suggestions that MD is a unified process that integrates the organization's philosophy and its human resource.

The assessment and continuous improvement of competency needs through company-wide development system agreed with McCune's (1999) and Heraty and Morley (2003) suggestion that MD is an effort that has the energy to move at a faster rate given company-wide dissemination of knowledge and capability. MAA's current trend of MD initiatives further supported this observation. The well integrated staff and agency development system has seen effective dissemination of knowledge and capability through such integration.

By integrating staff and agency development systems and the conduct of competent management, MAA's holistic approach on needs analysis is consistent with Doyle's (1994) and Mumford's (1993) views that MD needs should be strategically and holistically reviewed in response to changing environments.

As the staff programmes such as LEW, FRL and TQM as well as agency programmes such as the ADP, BAMC, LUTC, AMTP and AFPM are developed and selected to match MAA's organizational objective and specific required content, the MD selection has shown a dynamic learning orientation (Burgoyne & Stuart, 1991; Margerison, 1991).

MAA's overall organizational performance management system which links technical competence, human competence and business competence agree with Mole's (1996) suggestion that evaluation should adopt a holistic perspective to the extent which MD fits with the organizational needs and context.

To this extent, MAA's Management Development initiatives has provided justification to Dikken and Hoeksema's (2001) five major aspects of effective MD found in Table 2.

The justification described above show an explicit emphasis by MAA on linking MD initiatives to business goals. It is observed that by concentrating on Dikken and Hoeksema's (2001) five major aspects of effective MD, it reflects MAA's preference for action-based or result-oriented MD initiatives. This is congruent with the views of strategic MD suggested by Garavan *et al*. (1995), Iles (1993) and Stewart and McGoldrick (1996).

5. Conclusions and implications

The Quality of MD is the decisive factor for MAA's continuous prosperity. Developing a competent workforce is currently the central agenda of MAA's Master Plan and Action Plan Moving Forwards 2004. This is important to meet the future challenges and aspirations of staff and agency to provide strong leadership at work. The strong commitment from everyone in the organization to strive for excellence has given MD initiatives good support and emphasis. MAA's own experience has successfully created a culture of continuous learning through competence development. It brings out a very unique set of MAA MD initiatives and development system. A company-wide development system for staff has created a clear direction for aspiring agents. The system is categorized by position, course content, development

system for agency and professional development through either a management path or sales path.

The managerial implications of the above system on organizational excellence in MAA is as follows:

•   Increase in effectiveness of MD initiatives, workforce needs and participation was emphasized to support integrated MD practices. As a result, the effectiveness of such endeavour has translated into better bottom-line performance.

•   The staff and agency development system are mutually conceived and aligned to build a winning team. MD initiatives thus exist to enable the practice of competence development throughout the company. A well integrated development system has formed a coherent learning force among MAA MD practitioners. This is obvious from the existence of a strong learning culture observed in the organization.

•   Effective MD initiatives which are audited through consistent reviews have instituted a more practical and consumer-oriented competence development. The continuous improvement on product and service innovativeness is evidence of such implementation of effective MD in MAA.

Finally, MAA realizes the importance of developing a proactive and competent workforce who can make the difference and serves as a stock of performance capabilities for the organization. The past MD experience has helped to support such an awareness whereas the Action Plan "Moving Forward 2004"is the direct result of long term or strategic move towards total capability and competent development in the organization.

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Table 1. MAA Company-wide Development System (Staff)

	Training according to the level of position in the organization.	Training by content.					Company-wide.	Technical training by special request.
		Insurance.	Finance.	General Management t.	ICT.	Leadership.		
Top Management.	Training for directors.						External Training :- (ad hoc) depends on request & approval from top management. Internal Training :- Developing a Winning Team. Motivation Seminar. Now or Never"	· 2004 Underwriting Guideline & Delegation Authority. · Quality Service First Time Every Time. · Performance Management System. · ISO 9001 : 2000 QMS Internal Auditing. · Comprehensive Commercial Fire Course. · RSI Systems Training. · Claims Practical Training. · Mentoring Programme. · Yoga Seminar.
AVP & above.	Training for department heads: LEW, FTL.			Management Principle & TQM.		Supreme leadership qualities.		
Manager.	Training for managers: 7 Habits of Highly Effective People: LEW, FFNFM.	Legal aspect & latest knowledge of insurance (i.e. Advance Tech – MAA Product).	FFNFM (Technical Financial Training).	TQM.	Technical Training (QMS/ME /MPP).	Leadership confidence.		
Executive.	Training for Executives: overview of 7 Habit.			TQM.		Fundamental leadership.		
Staff.	Training for staff: MAA Induction Programme, NOOT.	Overview of Insurance.		TQM.	Basic Technical Training.	· Basic English course. · Communication skills. · Personal grooming. · Time management. · Customer service excellence.	MAA T&E.	External Training.

Note: [a] denotes a course which is mandatory for the employees at that level

LEW: Leadership Engine workshop

FRL: Four Roles of Leadership

NOOT: Number One Organizer Training

AVP: Assistant Vice President

TQM: Total Quality Management

FFNFM: Finance For Non Financial Managers

ICT: Information Communication Technology

T&E: Training and Education

Table 2. MAA's Justification to Dikken and Hoeksema's Five Major Aspects of MD

Dikken and Hoeksema's Five Major Aspects of Effective MD	MAA's MD for Staff	MAA's MD for Agency
1) Opportunity of learning at job	Programme participants working towards a common management standard in staff development. Learning to keep abreast of what is happening both inside and outside the company. New staff receive induction training.	Senior management produce a brief guidance for discussion with their downlines on achievement of competence in key areas such as service delivery. Agencies are made aware of programme opportunities within the organization.
2) Controlling and managing learning process of managers	Programme participants work in teams to motivate and encourage each other and support the development of confidence in management competency. Impact of programmes on knowledge, skill, attitude and performance is assessed. Open system encourages links to all organizational units.	Each agent has a senior upline to facilitate and encourage sharing of knowledge and experience. Competence to prioritize the need to keep all essential customer records which may assist in better service delivery. Impact of programmes which meet business goals and targets are assessed.
Learning on the job for carreer success	Development of a competent workforce especially in areas of insurance, finance, general management, ICT and leadership.	Continuing development of a profesional financial and insurance agency.
3) Conscious use of developmental instruments to influence managers' behaviour	Promotion of information and communication technology to strenghten communication and shape effective working behaviour. Performance of each programme participant over a period of time with respect to their management responsibilities and competency.	Programme participants co-operate and assist each other to improve working relationship. Regular review to check against a set of performance criteria. Preparation for individual performance review using the agency's system of development.
4) Recommendations for managers and organizations to improve organizational performance and bottom-line results	Committed involvement of staff in programmes and sharing of personal progress with others. Acceptance of responsibility to show a willingness to contribute to the implementation of recommendations of change to improve organizational result. Systematic analysis of documentation to facilitate efficient and effective job quality.	Production of professional service quality through high work commitment to achieve a competent standard. Recommending and using updated and more effective ways of dealing with customers. Encouragement of agencies to identify programmes that meet their job-related training needs.

MANAGEMENT PATH   SALES PATH

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                                        ┌─────────────────────┐
                                        │ Certified Financial │
                                        │      Planner        │
                                        └─────────────────────┘
                                                 ↑  • CFP
┌──────────────────┐                    ┌─────────────────────┐
│ Agency Senior    │                    │ Associate Financial │
│    Manager       │                    │      Planner        │
└──────────────────┘                    └─────────────────────┘
        ↑  • AMTP                                 ↑  • AFPM
           • MSP                        ┌─────────────────────┐
           • 7H                         │ Financial Advisory  │
┌──────────────────┐                    │       Agent         │
│ Agency Unit      │                    └─────────────────────┘
│    Manager       │                                ↑
└──────────────────┘                    ┌─────────────────────┐
        ↑                               │    Career Agent     │        ● PFC
           • BAMC                       └─────────────────────┘        ● 7H
                                                 ↑                      ● LU TC
                    ┌─────────────────┐
                    │   Master Agent  │
                    └─────────────────┘
                            ↑  • AAC
                               • SAC
                               • CEILI
                               • ATP
                               • ADP
                    ┌─────────────────┐
                    │     Agent       │
                    └─────────────────┘
                            ↑
                    ┌──┐
                    │  │  • PCE
                    └──┘
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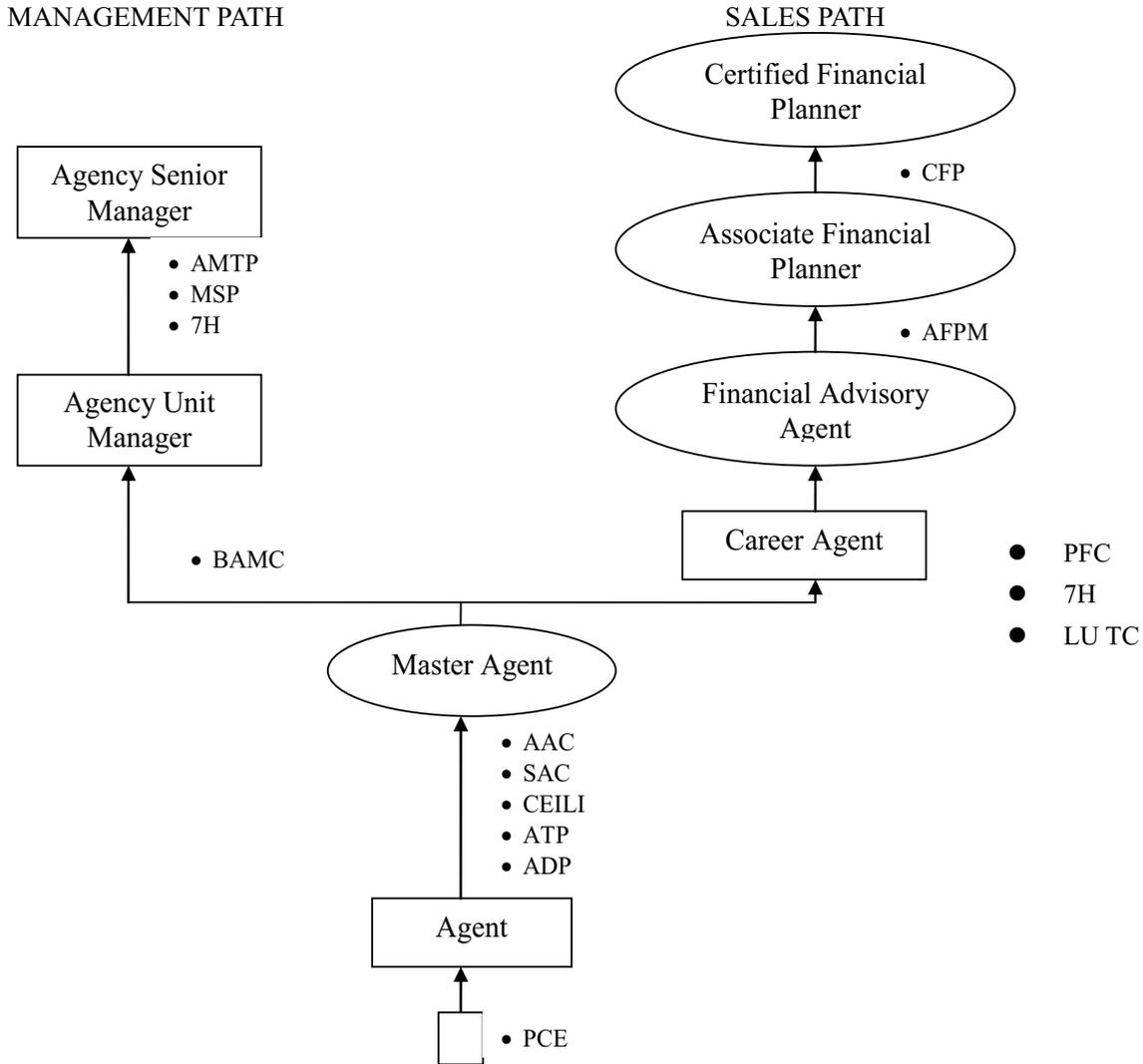
Figure 1. MAA Company-wide Development System (Agency)

Note :

PCE: Pre-Contract Examination Course

ADP: Agents Discovery Program

ATP: Agents Training Program

CEICI: Certificate Examination in Investment-Linked Life Insurance Course

SAC: Senior Agents Course

AAC: Agents Advance Course

BAMC: Basic Agency Management Course

7H: 7 Habits of Highly Effective People Course

MSP: Managerial Skills Program

AMTP: Agency Management Training Program

LUTC: Life Underwriters Training Program

PFC: Professional Financial Course

AFPM: Associate Financial Planner of Malaysia

CFP: Certified Financial Planner Course

⬭ Earned Designations

▭ Agency Hierarchical Positions