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A study of non-credit management education regarding the relationship between business and higher education.

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A STUDY OF
NON-CREDIT MANAGEMENT EDUCATION
REGARDING THE RELATIONSHIP BETWEEN
BUSINESS AND HIGHER EDUCATION

A Dissertation Presented

by

JAMES D. MALONE

Submitted to the Graduate School of the
University of Massachusetts in partial fulfillment
of the requirements for the degree of

DOCTOR OF EDUCATION

September 1991

School of Education

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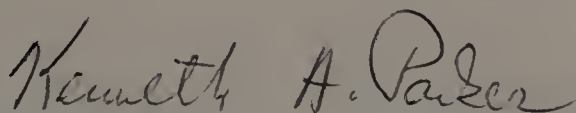
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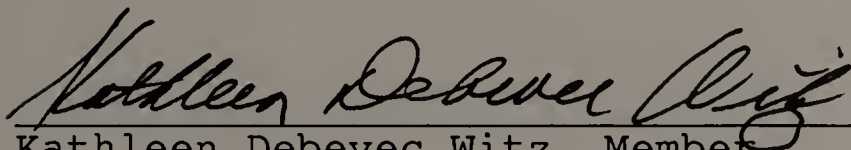
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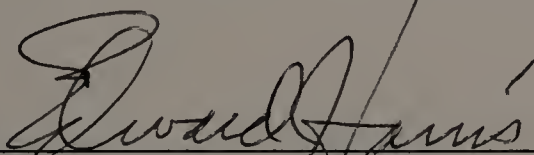
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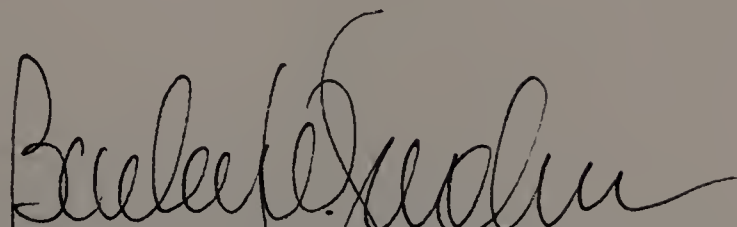
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ABSTRACT

A STUDY OF
NON-CREDIT MANAGEMENT EDUCATION
REGARDING THE RELATIONSHIP BETWEEN
BUSINESS AND HIGHER EDUCATION

September 1991

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This study was intended to examine the present direction of development and implementation of non-credit management education programs by companies and colleges and universities.

This study presented specific information that illustrated that many industrial and service organizations have developed their own management education programs to satisfy their perceived current needs. The research was intended to provide information into the changing needs of management education as well as the deficiencies of academic institutions in successfully meeting those needs. It was intended to assist both business and higher education to understand the long-term needs of management education and the effects that the fulfillment of these needs will have on business, schools of management, schools of education, and divisions of continuing education.

A survey questionnaire was developed and sent to 308 businesses. A different survey questionnaire was developed and

sent to 60 colleges and universities. The business survey included small, medium, and large sized companies in the north, east, south, and west in both manufacturing and service sectors. The survey of colleges and universities included small, medium, and large sized institutions from the north, east, south, and west including both public and private colleges and universities.

The findings indicated leadership/management issues are the critical needs of business in management education programs and that the majority of the companies use in-house programs to address those needs.

The finding indicated that there is a need for better communications between business and higher education on the needs of business in management education and how colleges and universities can satisfy those needs.

The findings indicated that higher education and corporations have completely different objectives in sponsoring management education programs. It was indicated that the objectives of business is to design management education programs to fit specific immediate situations whereas programs sponsored by higher education are broader in context and are not designed to fit specific immediate situations.

The findings also indicated that management education programs have an impact on business and higher education and a cooperative effort can result in a positive benefit to each other.

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CHAPTER I

INTRODUCTION

Existing non-credit management education programs sponsored by colleges and universities do not deal effectively with industry's present needs in management education. ¹ As a result, many industrial and service organizations have developed their own management education programs to satisfy their perceived current needs. Many of these companies offer such programs as both undergraduate and graduate credit courses. ²

Recent studies have provided some insight into the changing needs of management education as well as the deficiencies of academic institutions in successfully meeting those needs. ³ But the long-term needs of business in management education have been neither adequately addressed nor clarified. It is also true that fulfilling these needs will have an effect on schools of education, schools of management and divisions of continuing education. There is serious doubt whether industry and higher education have successfully addressed the issue of the changing needs of management education, and the few solutions that both higher education and business have offered to date are not

likely to answer the problem. This is the overriding issue and problem that this dissertation will attempt to analyze, interpret and answer.

Specifically, this dissertation will deal with the status and future direction of non-credit management education programs sponsored by post-secondary academic institutions (hereafter called "higher education" or "universities") and corporations. Higher education and corporations have completely different objectives in sponsoring these programs, and the gap between the professors and the practitioners is widening constantly. With few exceptions, the objective of business is to have programs designed to fit specific immediate situations whereas programs sponsored by higher education are broader in context and not designed to fit specific immediate situations. The result is that both sectors have developed programs, resulting in cost inefficiencies and some duplication of effort, and which may not correctly fit the objectives of those involved.

Statement of the Problem

The problem to be examined is how to improve the relationship between business and higher education so that each sector can derive maximum benefit from the development and implementation of management education programs.

The business community's appetite for management education has fueled the growth of management education programs designed by business for business. ⁴ Professional educators, however, have expressed concern about the type of curriculum that business has developed, the narrowness of curriculum objectives, and the strong possibility that only the particular corporation's objectives are being served to the overall detriment of the corporation, the program and the participant. ⁵

From an educator's standpoint, there are several directions that management education programs could follow and the choice will have a long-lasting impact on higher education. The educational value of this study will arise from the clarification of the direction that business is most likely to pursue in the development and implementation of its management education programs. Results of this study may impact on higher education and the direction that higher education might take to work with business to ensure that management education is effective.

Statement of Purpose

I. The management education programs currently offered by American academic institutions are not fulfilling the management education needs of American business. This has prompted business to develop and promote its own management

education programs, and these programs present for-profit competition to non-profit academic institutions. ⁶

With this in mind, the purpose of this dissertation is to examine present directions of development and implementation of credit and non-credit management education programs.

II. The methods employed in the dissertation are (1) a broad historical review of the relationship between business and academic institutions to evaluate both previous positions and future relationships; (2) an in-depth review of literature that will focus on identification of previous and current thinking on this subject; and (3) a questionnaire that will be sent to several hundred companies to analyze and evaluate needs and trends in management education programs.

Problems to be Investigated

In his book Talking Straight, Lee Iacocca said that "American business should not usurp the role of our schools. What business can do is support our schools and make sure our teachers are tuned into the real world." ⁷ To reach Iacocca's seemingly simple state of affairs, however, a number of complex issues must be addressed:

1. How can higher education develop an understanding of the adult education needs of industry in order to help design the most productive education programs to meet those needs?
2. How can industry develop a clearer understanding of the overall role of education and what higher education can provide specifically in the way of adult education?
3. What can be done so that industry and higher education together define common goals and complementary roles? ⁸
4. In support of achieving these common goals, how can communication between industry and higher education become more direct, purposeful and effective?
5. Would the elimination of divisions of continuing education as the conduit through which business deals with higher education, particularly in management education

programs, offer a more direct link than continuing education was intended to provide? Will success be more likely if business deals directly with schools of management on management issues and with schools of education on education issues?

The answers to these questions are critical because they will define the future relationship of industry and higher education. In the future these two sectors should not be competitors, but partners working towards a common goal.

Design of the Study

The study will be structured to answer specific questions: (1) What are the critical needs of business in management education programs? (2) How are these needs likely to change in the future? (3) How will these needs be satisfied? (4) What impact will the satisfaction of these needs have on business and higher education?

Sources of data to provide this information will be both primary and secondary. The primary sources will be interviews with business people and questionnaires directed at key individuals in several hundred corporations as well as selected academic institutions. Personal interviews will be held with the major players from business, identified through the American Society of Training Directors, to probe

for additional information and current viewpoints of corporations in this study. Answers to the specific questions can be analyzed from the primary data obtained. Secondary sources come from business periodicals, professional training journals and published academic research.

Precautions will be taken to ensure reliability and validity by obtaining information only from those people directly involved with management education. In the case of business those directly involved are training directors and some human resource executives. In higher education, those involved are faculty and staff in schools of management, divisions of continuing education and schools of education. As these people are dealing with this subject matter they should be the most reliable and their answers the most valid.

Significance of the Study

A growing segment of business is developing management education curricula which are narrow in focus and which serve specific, limited corporate objectives. This is the approach used because business believes that practical hands-on education better serves its needs than the theoretical management education offered by academic institutions.⁹ This trend places business in direct competition with academic institutions for students, faculty and support, potentially damaging the effectiveness of

management education by both business and higher education. 10

This researcher, having experience in both the business and academic worlds, intends through this dissertation to (1) make the academic community aware that business has distinct needs in educating its managers and that traditional educational solutions aren't necessarily exportable to contemporary business circumstances, and (2) make the business community aware that management education too strictly defined will give sub-optimal results and harm the very objectives that business sought to achieve.

It must be made clear to both business and higher education that there is no blame being assigned to either party for the circumstances. Rather, through a concerted effort to work together to educate managers, business, higher education and the managers they educate all will benefit. The findings of this study should identify the problem more clearly so that cooperation between business and higher education can be initiated and solutions found to this very complex problem.

Rationale and Significance

The rationale for a study about management education programs stems from three major issues discussed below.

I: The management education programs currently offered by academic institutions are not fulfilling the management education needs of business. This has prompted business to develop and promote its own management education programs, and these corporate programs present for-profit alternatives to non-profit academic institutions. ¹¹

II: The direction of the development and implementation of future credit and non-credit management education programs is unclear. Some corporations are conferring degrees on candidates. Concern is being raised about the type of curriculum that such programs offer, the narrowness of curriculum objectives, and whether only particular corporate objectives are being served to the overall detriment of the student.

In the future, this trend could place in-house management education programs as an alternative source to those programs offered by academic institutions. Educators and managers are beginning to question the reasons that industry is giving for becoming so strongly involved in management education as well as the rationale they are offering for developing their own management education programs.

III: Communication between business and higher education regarding management education is inadequate. Both sectors

have a different purpose in educating managers. Business believes that managers should have more practical, hands-on education and have better interpersonal skills. This is reflected in the pragmatic curriculum and objectives of in-house management education programs. Academic institutions believe in a more theoretical management education curriculum, but they tend to run the same courses on management education repeatedly and these courses are rarely innovative. Thus business and the academic community are not communicating what one needs and the other could provide.

In citing this problem, Porter and McKibbin concluded, "In general, executives think the relations between higher education and the corporate world are inadequate." ¹² This researcher agrees with their assertion. Unless each sector understands and appreciates the value of what the other sector needs and can offer, we will find a hodgepodge of management education programs with little or no meaningful continuity. This is wasteful and non-productive.

Historical Development

The evolution away from academic management education programs has been evident for about 17 years. Prior to that time, academic institutions and the business community had enjoyed a close relationship for about three decades. It is important to understand that relationship, how it came to pass and some of the reasons why academic institutions no longer satisfy the total management education needs of companies.

Non-credit management education programs were established in the early 1930s as a way to train and develop non-degreed supervisors and managers in techniques of management. The initial sponsors of management education programs were professional trade associations, and these joint ventures were to last for over 30 years.

There were several reasons for the original link-up between business and the professional trade associations at this time. In the 1920s and 1930s managers oftentimes did not have college degrees. Thus the managers learned from experience and worked their way into management by successful application of their experience. The professional trade associations were able to produce management education programs that provided managers with the basic educational tools that they needed to handle the supervisory function. It is important to remember that at

that time, U.S. industry was not planning-oriented and, therefore, was not inclined to spend a great deal of time and money to educate managers in the finer points of management. Berkowitz (1986) refers to this era as the "sell what we make era," and the management education needs would reflect this thinking.¹³ It must also be remembered that the Master of Business Administration (MBA) degree was a rarity and very few companies required it as a precondition of managerial employment.

The successful relationship between the trade associations and businesses started to break down in the early 1940s. The management education needs of business required more in-depth knowledge and more perceptive management technique than the trade associations were able to provide.

Starting in 1945 the number of college graduates began to accelerate dramatically, and by 1950 both the number of managers with a bachelor's degree and the general level of education in American society was rising. This situation arose as the veterans of World War II went to college to earn their bachelor's degrees. This in turn raised the education level of management and forced business to investigate a new source for the non-credit management education programs. This higher-level source was the academic institutions. One of the first of these programs originated at Harvard in 1945.

In the early 1950s and 1960s a relationship was established between industrial firms and collegiate schools of business to develop non-degree management education programs. The University of Michigan was one of the early innovators in this venture when its school of business started "Management by Objectives" in 1962. ¹⁴

The understanding at this point in time was that colleges were the best equipped to meet the non-credit management education needs of business. The companies had little input into program offerings which generally were similar to the subject matter taught in undergraduate classes. "Management 101" would become a management education program on "Fundamentals of Management." ¹⁵ Some of the management education programs were initiated as the result of a new books written by a faculty member. ¹⁶ Curriculum content and faculty selection was controlled by the schools of business. Businesses felt that they were not asked about the management education needs they had or ways in which these needs might be addressed.

It must also be noted that in the early 1960s the MBA was in the early stages of importance. The number of companies that required the degree for their managers was still relatively small. ¹⁷ The colleges with a school of business could provide a similar type of non-degreed management education to a clientele that included people both with and without a bachelor's degree.

The initial programs developed by universities for this target population included basic management subjects. These subjects included improving management skills and finance for non-financial managers. 18

By the mid 1970s, however, the corporate sector began to look for new approaches to develop young, degreed managers and began to ask how non-credit management education programs fit organizational goals. As a result, many companies began to move away from the partnership with university sponsored non-credit management education programs and to establish these programs in-house. This trend continues to the present. 19

Foundations

Research leading into this study demonstrates the importance of the relationship between higher education and business/industry.

Academic institutions must develop an understanding of the adult education needs of industry and the most productive way to develop education programs to meet those needs. Some of those needs reflect current legal trends, societal changes and international developments.

1. "Many industries maintain large staffs of their own to meet their continuing education needs but they do so principally because they can't find viable providers from

academic sources. We simply would not hire people and maintain them on the payroll if there were an alternative, but so far we haven't seen an alternative." 20

2. Industry must develop an understanding of the role of education and what higher education can provide in the way of adult education. Lynton (1984) developed this point when he wrote, "Increased participation of colleges and universities in employer-sponsored instruction would be a highly effective way of reducing academic isolation and of making faculties as well as administrators more aware of and more sensitive to the practical needs and conditions of the work place." 21

Further, Luster mann and Gorlin (1977) developed the premise that corporate leaders and executives should be aware of the fact and accept the responsibility that education is directly related to the needs and the affairs of their companies. 22

3. Industry and higher education together must define common goals complementary roles. Jean Evangelauf (1988) wrote that "Management education and development activities are in danger of casually drifting towards the 21th century with potentially serious consequences for the nation unless a more concentrated and more purposeful thrust can be

provided by both university business schools and the corporate community." 23

4. Communication between industry and higher education must become more effective in support of achieving these common goals. Lynton (1984) wrote "Tackling these difficult but important problems of arriving at the appropriate breadth in professional preparation as well as in continuing employee education cries out for close collaboration between business and universities." 24

5. The role of business in developing and promoting credit and non-credit programs must be made clear. This issue is critical because it will define the future relationship that industry and higher education will share so that in the future these two sectors are not competitors but partners working towards a common goal.

6. The role of divisions of continuing education as the conduit through which business deals with higher education, particularly with regard to management education programs, should be reassessed. Milton R. Stern (1980) wrote that "universities have regarded continuing education as adjunct to their basic purposes. Even public universities continue to slight continuing education and to ignore the competitive threat from outside the campus." 25

Lynton (1984) wrote "continuing education is viewed as outside the mainstream and less important, less respectable, less central than regular education." 26

This researcher, in discussions with members of training departments of Friendly Ice Cream Corp., Westvaco, Aetna Life and Casualty, was informed that divisions of continuing education are perceived as less important and respectable organizations, and that this was one of the reasons that these companies developed their own management education programs.

7. Legal issues warrant consideration. In 1986, the American Society of Training Directors discussed pending legislation and likely effects on training and development programs. Approximately 80 bills currently before Congress propose legislation regarding training. Three of these bills have a substantial financial impact. The reason that industry is supportive of these bills is that training is a negotiating point in the current tax debate. The trend to give tax subsidies for machine capital is ending, but business, because it wishes to keep the level of tax subsidies constant, is looking for other areas for tax subsidies. Training is the only area where increases are proposed.

A very important piece of pending legislation is the Employee Education Assistance Act which would allow an

exclusion of up to \$5000 (per employee per year) from an employee's gross income for employer-provided education assistance.

A second significant bill is the National Training Incentive Act, through which employees could deduct 25% of skills training expenses that exceed past average expenditures.

A third bill, the Education and Training for American Competitiveness Act, would establish a program of education and training designed to improve the competitiveness of American workers in international trade. It is estimated by some experts that up to \$10 billion will be made available for training if this legislation becomes law.

CHAPTER II

REVIEW OF THE LITERATURE

Chapter II is intended to review past, recent and current literature on management education. The review will deal with the state of management education, the human factor as it relates to management education, management education and change, management education structures, the corporate responsibility for management education and management education as an academic discipline.

An understanding of these subjects and a review of this literature will aid the author in developing what previously has been done in relation to this study and what trends and information impact on this study.

The first part of Chapter II will review this literature and the second part will draw conclusions and make recommendations based on the findings.

Theoretical Rationale

In 1979 Maeroffe observed, "The traditional financial support for post-secondary education has been reduced in both the public and private sectors. There is one area of post-secondary education, however, which has experienced growth over the past several years and which is generally expected to continue to grow in the foreseeable future. That sector is in-house executive education." 27

M. Wantuck (1985) has written, "Research on learning and adults is very supportive of the notion that adults learn best in the context of a job to do. I think we see some of the best learning going on in corporations that we see anywhere in the United States." 28

The objectives of non-credit management education programs sponsored by higher education have been identified as follows:

(1) to serve a broad-based constituency with broad-based subject matter;

(2) to provide a link between faculty and the business world;

(3) to increase adult education and expose the business community to continuing education;

(4) to expose managers to new ideas, current concepts, knowledge and information. 29

The corporate objectives are quite different:

(1) to provide specific knowledge on specific subjects;

(2) to retain experts on this subject matter;

(3) to emphasize behavioral subjects such as interpersonal behavior and a greater awareness of external forces on business;

(4) to tie together and use a wide range of skills from different disciplines. 30

An initial conclusion is that universities and business view management education programs from different

perspectives. An effective management education program will blend the objectives of the corporation with the objectives of the academic institution for the benefit of both. C. Hall (1985) concluded, "The most effective management education programmes, therefore, place emphasis on how best to utilize and apply a variety of disciplinary skills. Effective management education is synonymous with showing how to tie together and use a range of skills from different disciplines and not with an understanding, per se, of those disciplines." 31

Comparative Analysis

The university management education programs do not tie the range of skills from different disciplines together, and as a result, companies have been moving away from the academic programs. Corporations have evolved from relying almost entirely on externally sponsored management education to relying more and more on internally developed programs. Starcevich and Sykes (1982) cited one such corporation, Phillips Petroleum. Phillips identified a need for management education among a large number of employees and reviewed several academic management education programs. All of the programs were found to have notable limitations. In response to their findings, Phillips initiated a feasibility study concerning the development and implementation of its own management education program. The

feasibility study involved the examination of three main issues:

- (1) the analysis of strengths and weaknesses of university management education programs;
- (2) the study and analysis of selected organizations that had developed their own management education programs;
- (3) the analysis of reports of Phillips managers who previously had attended college management education programs.

The examination of these main issues showed that there were both strengths and weaknesses in the academic programs. Phillips identified the strengths as follows:

- (1) the exposure to current academic thinking and to the current theoretical approaches that faculty were using to solve current managerial problems;
- (2) new approaches and ideas could be experienced by the participants without limitations or restraints that might be placed in a company developed program;
- (3) the opportunity to exchange information and important viewpoints with managers from other industries and to learn about their problems and available solutions.

In addition to these strengths, Phillips identified the following weaknesses:

- (1) an incomplete complement of knowledgeable faculty in each subject area;

(2) the inability of faculty to work with a mature audience;

(3) the vague definition of purpose for the program and the expected outcome for both given subject matter and for the program as a whole.

Item (2) above in particular was considered both the most critical weakness and the most difficult in which to achieve success. The mission of most university management education is to broaden perspectives, and this in itself may not coincide with corporate needs.

Phillips also identified another serious weakness in their analysis of the academic programs. The programs were unable to facilitate on-the-job reinforcement of concepts learned in the classroom. D. Hall also saw this weakness: "Management education programmes seem to have a built-in tendency to shift emphasis away from showing how to tie together and use a range of skills from different disciplines. Instead emphasis moves toward the input discipline, per se. Managers still acquire much of their education on-the-job." 32

D. Hall refers to this academic activity as receptive or cognitive learning, which involves classroom lecture discussion and reading, and where the learner is basically passive; that is, the participant is taught rather than actively learning. The contention of companies such as Phillips Petroleum is that in university management

education programs the receptive cognitive approach to learning is overused and misused because the participant is unable to utilize this type of learning in on-the-job experience. 33

Phillips Petroleum learned, as had other companies previously, that their needs for management education programs were different from the product that colleges were willing to provide. Phillips Petroleum's needs were:

(1) to provide educational experiences for substantial numbers of employees at a rate faster than participation in regular college management education programs would allow;

(2) to make the management educational experience as pragmatic as possible while providing new ideas, concepts and theoretical approaches to the participants;

(3) to have greater control over the course content and curriculum design;

(4) to provide greater control over faculty selection;

(5) to increase the understanding of the organization and impart certain beliefs and organizational philosophies on the participants.

These differences can be adapted to an old marketing adage:

"the companies want programs that will satisfy their needs, but the universities want to sell the programs that they can provide."

The satisfaction of special needs is not unique to Phillips Petroleum. Krueger and May (1986) described two reinforcement techniques that are now employed by in-house company management development programs and which are not typically utilized in university programs.³⁴ These reinforcement techniques ensure a transfer of learning from management education programs to the workplace. The techniques involve:

(1) journal writing to capture the participants' management insights regarding the program's areas of coverage;

(2) the formation of support groups to provide and encourage feedback for participants.

The special management education needs of corporations such as Phillips Petroleum require that the subject of strategic planning in organizational development be addressed. This is an area that the management education programs in academic settings are not currently equipped to address effectively. Rothwell (1984) notes that companies have a need to introduce and define the strategic planning process in organizational management education programs.³⁵ In light of this fact, the planning process can center on subjects, experiences, objectives or opportunities. Thus, the management education program can be modified to make the education anticipate and react to organizational needs.

Nels-Goran (1986) believes that universities view themselves as a service industry which should fill the management education needs of the companies. If that is so, academic program developers should view themselves as service providers and thus they should provide the kind of management education that is needed. 36

Increasing Role of In-House Education

Three major reasons have been given for the change to in-house management education programs:

(1) program content of the non-credit management education programs sponsored by many colleges and universities did not change with the change in corporate needs;

(2) there was a change in the sponsoring organization at some of the universities.

(3) there has been change in the relationship between universities and industry, as previously defined.

Program Content and Sponsorship Change

The objective of the initial programs, originally taught in the 1950s and 1960s, was to educate people in the use of basic tools of management. These programs, taught by faculty members of the business schools, were adapted from the undergraduate and graduate courses. 37

Because the participants in these non-credit courses were uneducated in the subject matter, the educational content of the courses could be adapted for their use and benefit. In time, managers were trained in the basic tools of management, through either attendance in the programs or graduation from a business degree program. The need for the program content had changed. This can be reflected in the fact that in 1961, 60,000 bachelor's degrees and 10,000 master's degrees were awarded to students with an educational concentration in business. By 1974, however, an average of 161,000 bachelor's degrees and 49,000 master's degrees were being awarded annually.³⁸ The decline in the need for the basic programs in non-degree management education created a need for more concentrated and more in-depth management education, and changed program curriculum and education content.³⁹

Some collegiate business schools, as well as some professional trade associations, upgraded program content⁴⁰ by offering educational instruction in managing for performance, managing for excellence and the managing of managers.⁴¹ The upgraded program dealt with management effectiveness and development of a management team rather than the simple setting of objectives.⁴²

Richard Eastburn recognized that executive managers must understand the process and management of change: "Business education within organizations must change. We

must move beyond the classroom and recognize the importance of the environmental fit and the appropriate organizational changes that must occur to ensure that fit." ⁴³ Not only must learning beyond the so-called classroom change, but what goes on within the educational environment must change as well. Eastburn further identifies change by saying, "The discrimination among objectives and the choice of methodology in management education go hand in hand. These two things -- discrimination of objectives and classroom methodology -- compliment a focus of roles played by the learners in the organization and on the fit of the learning objectives to the roles and organization systems. Applied learning of this nature is essential for managers in a world that is immersed in rapid change." ⁴⁴

Another reason put forth to explain the change in corporate thinking on these programs is the change in the sponsoring organizations for the non-credit programs at some colleges. In the 1970s the sponsorship responsibility was transferred from the schools of business to the divisions of continuing education. This change of sponsorship altered the way that industry looked at the programs in light of their management education needs.

Concerns on the Role of Continuing Education

Companies that looked upon a relationship with a school of business as professional did not view dealing with a

division of continuing education in the same light. Most companies felt that continuing education management programs were not equal to those sponsored by schools of business. Continuing education programs are looked down upon by business and while it was an idea that was promoted as a way to generate revenues for the divisions of continuing education it was a disaster for the relationship between business and schools of business. The problem is both the lack of business experience of the program coordinators and the design of the programs. This is one reason why business executives think the relations between business schools and the corporate world are inadequate. 45

Most continuing education programs were developed with only limited input from the faculty of the schools of business. The programs that were sponsored were continuations of programs that had been developed years before at a time when the needs of business were different. In addition, the divisions of continuing education have been expected to be self-sufficient, covering expenses with programs fees. For example, the University of Massachusetts at Amherst imposes a 20% surcharge on all continuing education programs to cover their operating expenses. 46

For these reasons business in the mid 1970s began to look for alternative ways to produce management education. Mark S. Gallagher, executive director of the Carnegie Forum on Education and the Economy, says, "There's a need to meet

a standard that's never been met before." ⁴⁷ The American Society for Training and Development (ASTD) estimates that U.S. companies spend \$300 million annually just to teach workers basic skills. ⁴⁸ Badi G. Foster, president of the Aetna Life and Casualty Company's Institute for Corporate Education puts it in stronger words: "We no longer assume that you have the ability to do a job just because you have a high school diploma or even a few years of college." ⁴⁹

Business Programs

Business is not only willing to commit to management education programs but is willing to develop their own management education programs and in many instances to go out and market these programs as a profit venture. This not only poses direct competition for the university sponsored programs but eventually may compete with the universities in the credit area.

As an example, Bell South, a regional telephone company, has entered the education business. The Atlanta-based Bell Holding Company, through its Bell South unit, has established Bell South Educational Services to offer education in telecommunications technology and management to business customers. The new unit has already been accredited by the Southern Association of Schools and Colleges. Rodney Page, the educational unit's managing director, said "the company has an extensive operation for

educating its own employees and it sees an opportunity to attract new revenues by marketing its services to outsiders." 50

Bell South has indicated that many of the courses will be directed toward the management of other Bell telephone companies, independent telephone companies and other businesses that might not have the resources to provide this type of education to their personnel. Wang and Polaroid are two other companies that are actively marketing their management education programs.

It has been estimated that the cost of corporate post-secondary education could run as high as \$120 billion per year. 51 This is a significant sum when public education is estimated to cost \$136 billion per year. 52 Consulting firms, trade associations such as the American Management Association, and the ASTD employ thousands of people in this industry. ASTD alone has over 14,000 members. 53

With this in mind, and also considering the manner in which universities are developing and marketing their programs, it is small wonder that the management education programs are big business, increasingly private or in-house whenever possible.

Vocational Management Education

The pilgrimage from the boardroom to the classroom has been fired by devotion to that sacred business deity, self-

interest.⁵⁴ This self-interest can be understood when it is seen from a corporate perspective -- that changes are coming in the way that jobs will be managed, that jobs will be utilized differently and that workers will work in new ways. Most companies assume in today's society that most workers can fill only narrowly defined roles. Henry Kelly, from the Office of Technology Assessment, said, "if the assumption that most workers can fill only narrowly defined roles proves to be true, then we're facing a stagnant economy where only trained elite workers will benefit while other workers will be used as needed and then displaced." Mr. Kelly further stated that "a far better scenario comes when business plans on responsive workers and pushes the education required for continuous learning and growth."⁵⁵

Management education programs are viewed by the business community as an important investment in a company's future leadership. These management education programs provide state-of-the-art training designed to fill gaps in a manager's knowledge. For example, an engineering manager may be introduced to unfamiliar financial concepts and techniques or a marketing manager may be exposed to the problems and tools of operations management.⁵⁶ The business community is willing to spend the money and is allocating increases each year. Over the last three years the increases have averaged 9.4%.⁵⁷

Curtis E. Plott, chief executive officer of the American Society of Training Directors, said "one of the issues we have with studies of the nation's education problem is that it is often not viewed from an employer's prospective. The schools say they're not really in business to prepare people for the work force. But business is saying 'well, that's what we need.'" 58

The business community also understands that to manage this change the emphasis will have to be on the management education. This is, in part, because most managers today have gaps in their education, particularly in the management of change. Business leaders are stressing a "how to" type of education. Previous research has indicated that management education as programmed by corporations is essentially "how to" in nature and often is concerned with the more immediate, short-term problems associated with the education of people within the organization. Generally speaking it was found that management education has three major characteristics:

(1) There is unusually high motivation of the participants. All are adults learning under circumstances in which the rewards for success and penalties for failure are perceived as high -- involving present and future earnings as well as prestige, self-esteem and the realization of career goals. The management of change is understood by this group of managers because they have

managed in an atmosphere that required experience and commitment.

(2) The work place is a setting for both learning and practice. Learning is more meaningful when it is reinforced by on-the-job practice.

(3) Management education is pragmatic in its role as an instrument for achieving other goals -- business profit, growth and vitality -- and in its accountability to a relatively narrow constituency. ⁵⁹

Business is looking for immediate results from management education programs. These results have to relate to the corporate objectives and reflect the corporate philosophy.

Human Resource Development

The responsibility for development and execution of in-house management education programs today generally rests in a corporation's Human Resources Development Department (HRD). As a group, HRD graduates are young and in general inexperienced. The programs are less than 10 years old and are a potpourri of programs sprung from many different departments in many different schools. ⁶⁰ Some disciplines offering HRD degrees are schools of communications, education, business and psychology.

The HRD degree is criticized because it does not reflect one standard of learning. When a person responsible

for management education lacks full understanding of what education is needed or who should teach this type of education, that person cannot create the management program to satisfy management's needs. Differing standards -- the result of HRD programs awarded by different disciplines -- compound this problem.

The forest products industry realized this problem early and initially attempted to structure guidelines for the management education programmers by developing five simple program rules:

(1) Determine what is needed and make sure that the programs are relevant to meet that need.

(2) Tailor management education to the individual. The developers and implementors, therefore, should not rely solely on generalized presentations because it is individuals, not groups, who develop into managers.

(3) Assign the responsibility for the education in terms of staff and line aspects, and make this a high priority. Insist that the measured results be available to both the participants and to top management.

(4) Be captive in your approach to management education. Find solutions to specific problems. Allow managers to have a large input into the discussion of problems and solutions they would recommend in some cases. Rotate managers into different situations to increase their management education.

(5) Determine who is responsible for assessing management education needs and guiding the education programs to fit those needs. It is also important that managers understand who they can go to for management education assistance and that they will not be penalized for seeking this assistance. ⁶¹

In 1987, U.S. organizations with 50 or more employees spent an estimated \$32 billion on management training and development. This figure represents an 8.4% increase over 1986 ⁶² and does not include the salaries of the individuals receiving the training. ⁶³ In both the public and private sectors, non-credit management education is a large and growing industry.

A prime reason cited for the growth of non-credit management development programs is the difficulty organizations are experiencing in hiring competent managers for both middle management and executive positions. This difficulty is the result of (1) fundamental change that has been occurring in most industries, requiring management personnel with specialized training, and (2) a decrease in the supply of seasoned top-level managers, a demographic reflection of America's relatively low birth rate during the Great Depression of 1929-1939.

In addition, it has become increasingly important to infuse in management a constant flow of new ideas for products and services. ⁶⁴ Practitioners assert that "...it

is hard to hire experienced managers -- it is better to grow your own." 65

In 1985, Dr. Winston Chen, president and ceo of Solectron Corporation "was unable to find enough experienced managers and decided that the company could develop its own managers. Two of the factors that reflected our company philosophy -- to provide excellent service to our customers and to respect our employees as individuals while helping them to grow." 66

State of Management Education

The area of non-credit management education is referred to by many titles. The two most commonly used are "management training" and "management development programs." Most of the citations presented here suggest that these titles are interchangeable and that these programs are also known as "management education." 67 In a more definitive statement it has been said that "management education programmes presumably seek to produce good managers" by teaching "management" 68 and if one does not know what either is, it is difficult even to start to devise an educational plan, let alone to assess whether that plan is effective or not. In general terms, at least, it is possible to identify the areas in which a manager requires competence.

These areas of competence include six primary concerns of business management: (1) planning, (2) management information, analysis and control, (3) marketing, (4) innovation -- the management of change, (5) managing people, and (6) the social, political and cultural environment. ⁶⁹

While these concerns of business management are just as true today as they were in 1969, management style is changing and adding to these six permanent concerns. Edward E. Lawler III (1983) wrote "in order to be more effective organizations will have to move to more organic and participative management styles which require decision-making skills, self-management skills and planning skills to be generally present in their work forces." ⁷⁰ Further, it has been stated that "through a change in management style the increased education level in the society could turn out to be a positive instead of a negative and lead to more productive work organizations." ⁷¹

The change in management styles has resulted in changes in both the needs of management education and the context in which management education is presented. ⁷² In today's business environment the primary purpose of most management education programs is to increase the participating corporation's recognition and attainment of specific goals and objectives. ⁷³ The implicit focus of management education is to accomplish this task by keeping managers abreast of changing job techniques and helping them to

adjust to changing job needs. ⁷⁴ Glueck (1978), in an analysis of ongoing management education, concluded that managers will not be able to perform effectively when any of the following three conditions exists:

(1) When there is significant change that is technological in nature;

(2) When managers are promoted into positions that they are neither qualified for nor capable of handling;

(3) When older managers find it difficult to maintain the necessary level of self-motivation to perform in a successful manner. ⁷⁵

There are other external changes such as economic conditions, market conditions, social conditions and legal conditions that will affect a manager's performance, yet managers can manage in these situations.

Human Factor

The emphasis on management education is meant to correct managerial deficiencies that exist in middle management and executives through training in changing job techniques and changing job needs. An important management education challenge is in the greater interplay between the people and systems required for organizations to function successfully. ⁷⁶ This human/system interface must continue to function successfully because most of the labor force

will have been retrained in job skills by the end of the twentieth century. 77

One important new skill managers are learning is media relations. Training managers to deal effectively with reporters and the media is a growing area for management education. Executives from three-hundred thirty of the Fortune 500 companies, plus 50 leading trade associations, have been guided through courses that teach managers to deal effectively with all kinds of media. Significantly, many of these companies assign this training from top management deep into middle management ranks, some educating 800-900 people in the organization on how to work with the media in various situations. 78

Succession Planning

Since the emphasis in management education the correction of managerial deficiencies that exist among middle and executive managers, a corporation can be faced with a serious dilemma. Douglas Hall (1986) identified this situation as the "Dilemma in linking succession planning to individual executive learning." 79

Succession planning focuses on both future executive positions and the identification of the people who will fill these positions. Don Laidlaw (1987) suggested that this means "having the right people at the right place at the right time properly prepared and that doesn't happen by

chance." ⁸⁰ The proper preparation includes management education which may or may not be included in replacement planning, the process of identifying two or three individuals that are considered backups by senior executives.

Management education as it relates to succession planning is either task learning or personal learning. Task learning is the improvement of knowledge, skills and abilities necessary to perform higher level jobs effectively. ⁸¹ Education and training are the principal means for developing skills and abilities of employees on the job. ⁸² Personal learning is the mastery of socio-emotional tasks associated with the person's stage in life. ⁸³ Either task learning or personal learning offer specific short-term and long-term benefits.

TASK LEARNING: Short-term benefits are improvement in performance by the utilization of related knowledge skills and abilities. Long-term benefit is an improving adaptability.

PERSONAL LEARNING: Short-term benefits are resolving issues that regard attitudes toward the career. Long-term benefits are the development and extension of managers' identity. ⁸⁴

Succession planning and the linking of individual management learning must address which type of learning will be utilized to ensure that the right person will be in the

right place at the right time. Managers tend to avoid the personal learning process in favor of a task learning process because in the short term knowledge skills and abilities can be immediately utilized and thus be of immediate benefit to the manager.⁸⁵ Succession planning is one example of the importance of the changing needs of corporations and how management education can fill those corporate needs. Succession planning is a very small but important example.

Management and Corporate Culture

Feuer (1986) predicted that corporate culture issues and issues relating to business strategy are expected to increase dramatically in importance to management.⁸⁶ Feuer's top five issues in order of importance are (1) corporate culture, (2) employee needs, (3) employee wishes, (4) information technology advances, and (5) employee demands.⁸⁷ Other important issues being addressed in management education include improving productivity and communications.

This focus on productivity growth has caused many organizations to adjust and learn to exist in a new environment.⁸⁸ The adjustment has changed management style to make it coincide with today's work force, which sees more employee involvement in decision making and greater employee control over day-to-day work activities.⁸⁹ To illustrate:

(1) Quality circles have been utilized by U.S. companies for at least 10 years and have grown at a dramatic rate to help solve productivity and quality problems. ⁹⁰

(2) Many companies are experimenting with self-managing work teams and other job enrichment approaches designed to give employees a chance to make more day-to-day decisions concerning their work. ⁹¹

(3) Joint union-management committees are meeting in many companies to facilitate cooperative problem solving between union and management. ⁹²

Management Education and Change

As management has changed, management education has had to change with it. Changes can be seen in the definition of company needs, curriculum content, the method of instruction, the mission of instructors, program length, location and cost. ⁹³ Management education has evolved dramatically in the past 18 years to meet these needs. One of the most significant trends involves the reduced reliance of companies on wholly externally-sponsored management education programs. ⁹⁴ This trend resulted from the need of companies to:

- * provide educational experiences for substantial numbers of employees at a rate faster than participation in regular university-sponsored management education programs would allow;

- * make the educational experience as pragmatic as possible while introducing new concepts to participants;
- * have greater control over course content, curriculum design and faculty selection;
- * increase understanding of the organization and impart specific company beliefs and philosophies to participants. ⁹⁵

Companies have also changed curriculum content to meet the changing needs in this area. Interpersonal skills, communication skills and management of employee performance continue to dominate management education courses. However, management education needs are focusing on additional areas:

- (1) business strategies specific to the organization;
- (2) world-wide business issues; and
- (3) information technology. ⁹⁶

Faculty selection for in-house management education programs, and availability of the faculty, are critical issues that have merited consideration by any company that is providing management education. It is critical because companies that sponsor management education have determined that the successful programs require more than a mere coordination of faculty. ⁹⁷ It is becoming increasingly difficult to identify faculty who can work with a demanding adult audience. Faculty involved in management education programs must be in sync with the participants' need to

know. Cassaboom and Cassaboom identified this critical point and related the fact that most business academicians lack first-hand business experience. 98

In the 1950s, business faculty generally had bachelor's or master's degrees, whereas today a doctorate is barely sufficient. It is unusual for business faculty to be conversant in more than one discipline and the academic publishing requirements encourage specialization within disciplines. This makes it difficult to acquire both a terminal degree and the desired extensive business experience. 99

This difficulty can work against successful management education. In a study of the insurance industry it was noted that insurance executives who had participated in management education courses, as a group, were unsure that the academicians teaching those management education courses understood the problems faced by people in the insurance industry. 100

Successful management education programs are thus obtaining experts in a specific subject area and are utilizing those instructors who can impart the knowledge in a meaningful way to the participants. These instructors may or may not be faculty members at a university.

The Phillips Petroleum Corporation selects faculty for their Internal Advanced Management Program based on the individual's knowledge of the specific field and the ability

to instruct a mature audience. Phillips believes that "the ability to involve participants and build excitement and understanding about the subject area is critical." 101

Management Education Structures

As management education changes to meet corporate needs, the specific development techniques offered have become somewhat more defined. In an informally structured company the development techniques are very simplistic; development is not specifically planned but, rather, development occurs on the job. This type of management education structure is found in companies including Raytheon, Ralston Purina, Textron and American Standard, Inc.

In an organization that is decentralized, each division plans development assignments for its own people. Decentralized organizations employ limited cross-functional and business movement techniques as well as some use of traditional standard single-purpose management education courses that are conducted at an off-site location. Companies that represent the decentralized management education organization include RJR-Nabisco, Bankers Trust, Lear Siegler, Tenneco and Weyerhaeuser.

In a centralized organization, development assignments are specifically planned for employees capable of advancement to a predefined level. In a centralized

organization the development techniques include limited cross-functional and business development with some job rotation and extensive use of internal management education programs. Companies identified as having centralized management education organizations include Eaton Corp., Northeast Utilities, Citicorp and SCM Corp.

In an integrated organization, development assignments are specifically planned and the management education is linked to specific needs. These companies have extensive in-house training facilities and the capability to match individual needs with individual programs. General Electric, IBM and Exxon represent organizations with integrated management education. 102

The management education structure and the developmental techniques employed will often identify the commitment of the chief executive officer of the organization. If the commitment is strong then the management education group will be strong and powerful. If, on the other hand, the commitment is weak (or absent) then management education will be merely tolerated and will survive by luck, patronage or a hazy sense that the organization is supposed to do something about management education. 103

Corporate Responsibility for Management Education

The responsibility for management education within organizations is changing as the organizations themselves change. ¹⁰⁴ The responsibility for these programs currently resides in the training and development departments, which are directed by human resources executives. ¹⁰⁵ Ninety-one percent of human resources professionals see themselves as a major influence in the selection of management education programs. ¹⁰⁶ These departments have strengthened management education significantly in the past 15 years, and now many of the courses carry college credit. ¹⁰⁷

But even with strong growth, the direction of management education programs has been widely criticized. Some of the criticism asserts that industrial management education departments are too heavily dominated by trainers and that this domination results in a skewed program emphasis. If the management education program director is interested in and perhaps is good at either teaching a particular subject, working with stress management or using creative problem solving, then the entire thrust of the management education may focus in that concentrated area. The concept of increasing the organization's effectiveness will never be fully developed. ¹⁰⁸ In this situation, management education directors simply have allowed the education programs to multiply. This multiplication of programs is followed by the insistence that the management

education departments design their own programs whether they have appropriate expertise or not. 109

Management education departments also have been criticized for assuming that participants will acquire new or improved skills automatically. Well-developed management education programs emphasize the fact that the management education department must understand what works and what does not and that the participants must practice the things that work in order to be able to use the new skills and education on the job. 110

Management Education as Academic Discipline

While the management education needs of organizations are focused in specific areas, the groups responsible for the management education program are not always providing the right type of program to fulfill these needs. The source of this problem may be found in the fact that a disproportionate number of management education programmers are graduates of Human Resource Development (HRD) programs. In the last 10 years, 65 undergraduate degree programs, 143 masters programs and 55 certificate programs in HRD have been identified. 111

Academic institutions have not universally decided under which academic discipline these programs should fall. Some are in psychology departments, others in business schools, still others in communications departments. At

Ohio State University two programs in HRD -- one offered by the school of education and the other offered by the school of communications -- coexisted on the same campus. ¹¹² The HRD training may also limit the ability of company management education program developers to relate to important management issues. Two of these important issues are:

(1) the involvement of "people-to-people" issues, and
(2) the involvement of "people-to-idea" relationships. ¹¹³

The relative newness of HRD degree programs has prevented management education program directors from understanding the broad aspects of management education. The computer industry, for example, has a strong belief that management education should not stop once a formal training course is completed and that managers should spend a certain amount of their time in the pursuit of management education. ¹¹⁴ Therefore, they are strongly urging their managers to prepare themselves for future developments in their field.

The results of management education programs are forecasted to improve when HRD people come into the organizations understanding management education and HRD's function to manage management education. HRD people must value their contribution to the organization by the results

of the management education programs they produce, rather than the number of programs they produce. 115

Importance of Management Education to a College or University

Management education programs are important to a university for six reasons:

(1) they help establish and maintain contacts with the corporate world;

(2) they give faculty exposure to business and particularly to current management thinking and practices;

(3) they assist the university in faculty development and broaden faculty exposure to the so-called "real world";

(4) they can generate additional funds for the university in the form of program fees;

(5) they can provide a source of co-operative jobs for undergraduates and jobs for new graduates.

(6) they enhance the reputation of the university for a potentially large source of financial support. 116

In-house or at a College or University

Over the past two decades there has been a trend for companies to sponsor more of their own in-house management education programs. 117 One reason cited is that management education and development is an important investment in a company's future. The management education programs, when designed and taught effectively help fill in the gaps in an

executive's knowledge. ¹¹⁸ In business, the corporate objective has to be followed.

University-based programs were and still are utilized to expose executives to viewpoints that may be different from their own. The academic viewpoint of faculty can be freely expressed because faculty members are unfettered by company policies and the pressures of the management job. Thus, the academicians may express points of view the same or similar to those their management counterparts may have experienced in managing a business. ¹¹⁹ While it is beneficial for academicians not to be fettered by company policies and job pressures, it has also been found (Alfred Schrader, 1985) that academicians do have to follow the corporate line.

But the university-sponsored management education programs have not reacted to the more participative style of management in today's society, and this is one reason why companies have increased the quantity and quality of in-house programs. ¹²⁰ Two noted academics, Lyman Porter and Lawrence McKibbin have said "that the universities have got to do more in the creation of pedagogical techniques based on new communications technologies, rising interest in entrepreneurial activities and changing demographics -- especially an aging work force and more working women. What we heard in interviewing corporate officers is we've got to

do more because the business world is changing so fast and knowledge is out of date so much quicker." 121

Many university-sponsored management education programs tend to shift emphasis away from showing how a range of skills from different disciplines can be combined. In the most effective university programs, however, the managers have been shown how to do this, utilizing a range of skills from different disciplines. 122 Motorola, for example, has instituted a management education program that explores the issues of idea sharing and teamwork. 123 Human resource managers are asking universities if those management education programs sponsored by the universities integrate an identifiable focus and balance among the topics as well as the extent that the program combines the scholarly and the real worlds. 124

Two other questions that are being asked of universities are:

(1) Does the management education program actually enrich the participant's knowledge base and provide opportunities to reflect on and test beliefs about the functions of management?

(2) Does the program emphasize the need to unlearn obsolete practices and add new management tools? 125

The in-house management education programs are able to answer these questions positively because most in-company executive education efforts focus on the development of

organization-specific competencies in technical, interpersonal or managerial areas. 126

The current thinking of HRD personnel is that the university sponsored programs compliment in-house management education programs and should be used in conjunction with in-house programs rather than as a single source. In the Fortune 500 companies, 34% of company management education programs are in-house and 20% are campus-based. 127 The remaining 46% are provided by for-profit management education firms. This is a far different picture than was present in 1960 when the greater percentage of management education programs were sponsored by the universities. 128

The company-sponsored management education programs are also able to more consistently control the work load of the programs. The heavy reading assignment workload found in university programs is staggering to professional managers and has endangered a backlash. One banking executive was quoted as saying,

here seems to be a desire to put the participants under pressure involving them in as heavy a workload as possible. It should be borne in mind that the participants selected were proven performers and there was no need to place them under this artificial pressure. More benefits would be obtained by using the program as a medium to enable thought to be given to problems. This is something most of the participants are unable to do in everyday life. 129

General Electric and Purdue University have implemented a program that blends in the best of both in-house and university-sponsored management education programs. The

program uses a combination of self-teaching and monitoring of work through an electronic linkage. 130

CHAPTER III

DESIGN AND PROCEDURES

The following was the sequence of steps which this researcher followed in the research project:

1. Identified 308 companies of various sizes, in diversified industries, to contact by mail. Size break-down was as follows:

- * one-third small companies (fewer than 1000 employees)
- * one-third medium companies (100-499 employees)
- * one-third large companies (more than 500 employees)

The industries included: financial services, retail, food services, publishing, transportation, paper, beverage, utilities, pharmaceuticals, electronics, advertising, rubber and automotive.

2. Identified individuals who were most appropriate to answer the questionnaire. The individuals were identified as corporate training directors drawn from a directory of the American Society of Training Directors.

3. Designed a questionnaire to focus on the concerns presented in Chapters II and III.

4. Mailed the questionnaires to the corporate trainers.

5. Analyzed those questionnaires that were returned.

6. Contacted those individuals from selected divisions of continuing education, schools of education and schools of management to identify and analyze trends in adult

management education. This involved telephone contact, written questionnaires and some face-to-face interviewing. To collect data that was as unbiased as possible, contact was made with administrators representing the full range of academic organizations: both publicly and privately supported institutions with enrollments that are comparatively small, medium and large.

7. Analyzed these results according to the respondents' actual involvement with management training programs, trends of future programs, and the relationship between higher education and business. This analysis utilized both qualitative and quantitative methods.

8. Contacted selected respondents from both academic and business groups for more in-depth information and to help validate preliminary findings. These respondents were selected to include large and small companies, companies in different industries, and public and private academic institutions with a range of enrollments.

9. Reviewed secondary sources of information for the most current thinking on the subject of management education.

10. Published the findings with suggestions on what can be done to solve the problem.

Questionnaire

The following information was collected and analyzed in the research section of the paper. The first set of questions was asked of corporate trainers.

1. What are the critical needs of your business in non-credit management education programs?
2. What do you see as the future needs of management education programs in your business?
3. Who conducts your management education program?
 in-house schools of education
 private sector schools of management
 schools of continuing education
4. Why do you utilize the source(s) selected?
5. Are you aware of the management education programs available at local institutions of higher education? If so, which programs are or might be of use to you? Which institutions offers them?
6. How can the communication between your business and the academic institutions be improved?

7. Do you feel that divisions of continuing education should run management education programs? Why?

8. How would you rank the quality of programs in management education from in-house, continuing education, the private sector and schools of management? (Please use a scale of 1 to 10 with 1 representing the lowest overall quality and 10 representing the highest overall quality.)

in-house schools of education

private sector schools of management

schools of continuing education

9. Rank these same sectors according to cost (1 being least expensive and 10 most expensive).

in-house schools of education

private sector schools of management

schools of continuing education

10. Considering your responses to questions 8 and 9, rank each sector according to value for the money (1 being a poor value and 10 being an exceptional value).

in-house schools of education

private sector schools of management

schools of continuing education

7. Do you feel that divisions of continuing education should run management education programs? Why?

8. How would you rank the quality of programs in management education from in-house, continuing education, the private sector and schools of management? (Please use a scale of 1 to 10 with 1 representing the lowest overall quality and 10 representing the highest overall quality.)

in-house schools of education

private sector schools of management

schools of continuing education

9. Rank these same sectors according to cost (1 being least expensive and 10 most expensive).

in-house schools of education

private sector schools of management

schools of continuing education

10. Considering your responses to questions 8 and 9, rank each sector according to value for the money (1 being a poor value and 10 being an exceptional value).

in-house schools of education

private sector schools of management

schools of continuing education

11. What percentage of your training and education budget is spent with each of these training sources?

in-house schools of education

private sector schools of management

schools of continuing education

12. What kind of programs have you run (a) in-house, (b) through higher education, and (c) in the private sector?

13. Who develops program curricula and how is it developed, for (a) in-house programs, (b) academic programs, and (c) private sector programs?

14. How is the need for in-house programs determined?

By whom?

15. How are the faculty for in-house programs retained?

By whom?

16. Approximately how many in-house programs are run by your company in a year? What is your budget?

17. Which programs are the most successful and presented on a continuing basis?

18. If your programs are run externally, do you prefer to deal with schools of management, schools of education, divisions of continuing education or other private sources? Why?

19. What could higher education do better to fulfill your future needs in management education programs?

The second set of questions was asked of administrators of schools of management, divisions of continuing education and schools of education.

1. Do you presently offer management education programs?

yes no

2a. If you answered "yes", what type of programs do you offer?

2b. If you answered "no", have you offered these programs in the past? yes no

If you did, why were they discontinued?

3. Which of your programs are most successful? Why?

4. Who develops the curriculum for your programs?
- faculty clients faculty and clients together
 - division of continuing education
 - school of management
 - school of education other (please explain)
5. How is the faculty for these programs selected?
- by the school by outside experts other (who?)
6. How are the fees that you charge determined?
7. What trends do you see developing in management education programs?
8. Are there significant legislative or social impacts on management development program? If so, what are they?
9. Are you actively soliciting new business in management development programs. If so, how?
- personal contact mail telephone contact
10. If you have had experience, which of the following have you found is the best way to promote managerial development programs?
- alumni students personal contacts mail
 - telephone contact other (please specify)

11. Do you work in conjunction with other schools or divisions on your campus with regard to management development programs?

yes no

If yes, who are they and how do you work together?

12. What do you see as the future of management development programs over the next 10 years? Why?

13. What do you see as higher education's role in management development programs over the next 10 years? Why?

CHAPTER IV

RESULTS AND DISCUSSION

The purpose of this chapter was to report the responses to the questionnaire sent to industry (see Appendix A) and the questionnaire sent to colleges and universities (Appendix B).

Questionnaires were sent to 304 companies and 60 colleges and universities in the United States. Of the 304 companies contacted, 168 (55.2%) responded. Of the 60 colleges and universities contacted, 34 (56.6%) responded. In both categories an excellent sample distribution across all targeted segments was found. The sample sizes (304, 60) and the response rate (55.2%, 56.6%) are an adequate representation and can be considered valid.

The survey of industry utilized telephone, mail and personal interviews. The mail survey sent to 304 companies included an introductory letter, the questionnaire, and a self-addressed, return envelope. The method of survey resulted in 58 (34.5%) responses. A telephone follow up, using the same questionnaire, resulted in 101 (60.1%) responses. Personal contact using the same questionnaire resulted in 9 (5.4%) responses.

The survey of colleges and universities utilized mail, telephone and personal interviews. The mail survey sent to 59 colleges and universities included an introductory letter, the questionnaire and a self-addressed return envelope. This method of survey resulted in 7 (20.5%)

responses. A telephone follow up used the same questionnaire and resulted in 25 responses (73.5%) The personal contact used the same questionnaire and resulted in 2 (5.9%) responses.

Presentation of Data and Tables

Tables 1-23 contain data from company responses. Tables 24-36 contain data from institutions of higher learning responses. Some total do not add up to 100% due to rounding. The percentages of responses shown in the table relate to the total number of responses to the questions. Responses do not add to 100% in each category because respondents had the opportunity to respond to more than one category.

In the disposition of forms, 304 companies were sent questionnaires. 168 (55.3%) were contacted and answered the questionnaire. In the category of higher education, 59 colleges and universities were mailed the questionnaire and one was a predetermined personal contact. Thus, 60 colleges and universities were contacted. Of the 60 colleges and universities, 34 (56.6%) responded to the questionnaire.

Table 1 shows the frequency and percentages by location, size and type of companies that responded to the questionnaire.

TABLE 1:
Accounting of questionnaire forms

	# sent	# answered	% returned
North	70	38	54.3
South	72	42	58.3
East	101	80	79.2
West	61	8	13.1
Total	304	168	55.3
Small	78	36	46.1
Medium	88	44	50.0
Large	138	88	63.8
Total	304	168	55.3
Mfg	148	52	35.1
Service	156	116	74.4
Total	304	168	55.3

(The percentage of responses shown in Table 1 relate to the number of questionnaires sent out and may not add up to 100%.)

TABLE 2:
"What are the critical needs of business in management education programs?"

	# sent	# resp	% resp	Lead/mgmt		comm		other	
				#resp	%resp	#resp	%resp	#resp	%resp
North	70	38	54.3	30	17.9	6	3.6	2	1.3
South	72	42	58.3	32	19.0	2	1.3	8	4.2
East	101	80	79.2	56	33.3	16	26.2	8	4.2
West	61	8	13.1	6	3.6	2	1.3	0	0.0
Total	304	168	55.3	124	73.8	26	15.3	18	10.0
Large	138	88	63.7	64	38.1	14	8.3	10	5.9
Medium	88	44	50.0	34	20.2	8	4.8	2	1.2
Small	78	36	46.2	26	15.5	8	4.8	2	1.2
Total	304	168	55.3	124	73.8	30	17.9	14	8.3
Mfg	148	52	74.4	40	23.8	12	7.1	0	0.0
Service	156	116	35.1	84	50.0	18	10.7	14	8.3
Total	304	168	55.3	124	73.8	30	17.9	14	8.3

(The percentage of responses shown in Table 2 relate to the number of responses to the questions and many not add up to 100%)

The data in Table 2 indicate that leadership/management programs are the critical areas at the present time. 73.8% of the companies responding indicated that the leadership/management area is most critical. A review of

the data regarding the needs of companies in the area of leadership/management programs indicates that they would be most needed by large service industries in the Eastern part of the survey area.

(The percentage of responses in Tables 3 through 16 relate to the number of questionnaires sent out to the various companies. Responses do not add up to 100% in each category because respondents had the opportunity to respond to more than one category.)

TABLE 3:
"What do you see are the future needs of business management in management education programs in your business?"

	# sent	lead/mgmt		comm		finance		other	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	70	28	40.0	6	8.6	3	4.3	1	1.4
South	72	24	37.5	10	13.9	6	8.3	2	2.8
East	101	46	45.5	14	13.9	12	11.9	8	7.9
West	61	4	6.6	2	3.3	2	3.3	0	0.0
Total	304	102	33.6	32	10.5	23	7.6	11	3.6
Large	138	64	46.4	10	7.2	10	7.2	4	2.9
Medium	88	28	31.8	4	4.5	6	6.8	6	6.8
Small	78	28	35.9	6	7.7	2	2.6	0	0.0
Total	304	120	39.5	20	6.6	18	5.9	10	3.3
Service	156	40	25.6	4	2.6	6	3.8	2	1.3
Mfg	148	89	60.1	18	12.1	6	4.1	3	2.0
Total	304	129	42.4	22	7.2	12	3.9	5	1.6

The data in Table 3 indicate that leadership/management programs are the future needs of business in management education programs. A review of the data of the future needs in the area of leadership/management programs indicates that these programs would be needed by large service industries in the East, North and South regions of the area surveyed.

TABLE 4:
 "Who conducts your management education programs?"

	# sent	in-house		private		cont. ed.		school mgmt.		school ed.	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	70	38	54.3	24	34.2	16	22.9	22	31.4	4	5.7
South	72	42	58.3	6	8.3	6	8.3	4	5.5	2	2.8
East	101	74	73.3	40	39.6	16	15.8	28	27.7	6	5.9
West	61	8	13.1	2	3.2	2	3.2	4	6.6	2	3.2
Total	304	162	53.3	72	23.7	40	13.1	58	19.1	14	4.6
Large	138	86	62.3	42	30.4	28	20.3	38	27.5	8	5.8
Medium	88	44	50.0	18	20.5	6	6.8	14	15.9	4	4.5
Small	78	32	41.0	12	15.4	4	5.1	6	7.7	2	2.6
Total	304	162	53.3	72	23.7	40	13.2	58	19.1	14	4.6
Mfg	156	48	30.8	30	19.2	16	10.3	24	15.4	5	3.2
Service	148	114	77.0	42	28.4	24	16.2	34	23.0	9	6.1
Total	304	162	53.3	72	23.7	40	13.2	58	19.1	14	4.6

The data in Table 4 indicates that multiple sources were used by all types of companies. The majority of companies (53.3%) reported that in-house management programs were conducted. The data indicates that Eastern, Northern, Southern, Large, Medium, Small, and Service companies conducted in-house management education programs. The data indicates that Northern, Eastern, Large sized, Manufacturing, and Service companies used private suppliers to conduct their management education programs. The data indicates that Northern, Eastern, Large sized, and Service companies used schools of management to conduct their management education programs.

TABLE 5:
"Why do you utilize the source selected?"

	# sent	to fit need		other	
		#resp	%resp	#resp	%resp
North	70	38	54.3	0	0
South	72	42	58.3	0	0
East	101	80	79.2	0	0
West	61	8	13.1	0	0
Total	304	168	55.3	0	0
Large	138	88	63.8	0	0
Medium	88	44	50.0	0	0
Small	78	36	46.2	0	0
Total	304	168	55.3	0	0
Mfg	156	52	33.3	0	0
Service	148	116	78.4	0	0
Total	304	168	55.3	0	0

The data indicate that Northern, Southern, Eastern, Western, Large, Medium, and Small sized, Manufacturing, and Service companies utilize the sources selected to fit the need of the program.

TABLE 6:
"Are you aware of management education programs available at local institutions of higher education?"

	# sent	No		Yes		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	70	4	5.7	34	48.6	38	54.3
South	72	10	13.9	32	44.4	42	58.3
East	101	8	7.9	72	71.3	80	79.2
West	61	0	0.0	8	13.1	8	13.1
Total	304	22	7.2	146	48.0	168	55.3
Large	138	8	5.8	80	57.8	88	63.8
Medium	88	8	9.1	36	40.9	44	50.0
Small	78	6	7.7	30	38.5	36	46.2
Total	304	22	7.2	146	48.0	168	55.3
Mfg	156	2	1.3	50	32.1	52	33.3
Service	148	20	13.5	96	64.9	116	78.4
Total	304	22	7.2	146	48.0	168	55.3

The data in Table 6 indicate that 48.0% of the total companies and 87% of the respondents are aware of management education programs available at local institutions of higher learning. The data indicate that Northern, Eastern, Southern, Large, Medium, and Small sized, and Service companies are aware of management education programs available at local institutions of higher education.

TABLE 7:

"Can communications between your business and institutions of higher education be improved?"

	# sent	No		Yes		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	70	4	5.7	34	48.6	38	54.3
South	72	14	19.4	28	38.9	42	58.3
East	101	30	29.7	50	49.5	80	79.2
West	61	2	3.3	6	9.8	8	13.1
Total	304	50	16.4	118	38.8	168	55.3
Large	138	22	15.9	66	47.8	88	63.8
Medium	88	16	18.2	28	31.8	44	50.0
Small	78	12	15.4	24	30.8	36	46.2
Total	304	50	16.4	118	38.8	168	55.3
Mfg	156	14	9.0	38	24.4	52	33.3
Service	148	36	24.3	80	54.1	116	78.4
Total	304	50	16.4	118	38.8	168	55.3

The data in Table 7 indicate that Large, Service companies in the North, East and South felt that communications between companies and institutions of higher education can be improved. 118 (38.8%) of the total companies surveyed indicated that communications between companies and higher education could be improved.

TABLE 8:
 "Should Divisions of Continuing Education Run Management
 Education Programs?"

	# sent	No		Yes		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	70	32	45.7	6	8.6	38	54.3
South	72	28	38.9	14	19.4	42	58.3
East	101	62	61.4	18	17.8	80	79.2
West	61	6	9.8	2	3.3	8	13.1
Total	304	128	42.1	40	13.2	168	55.3
Large	138	68	49.3	20	14.5	88	63.8
Medium	88	32	36.3	12	13.6	44	50.0
Small	78	28	35.9	8	10.3	36	46.2
Total	304	128	42.1	40	13.2	168	55.3
Mfg	156	38	24.4	14	9.0	52	33.3
Service	148	90	60.1	26	17.6	116	78.4
Total	304	128	42.1	40	13.2	168	55.3

The data in Table 8 indicate that 128 (42.1%) of companies surveyed by location do not believe that divisions of continuing education should run management education programs. While only 40 (13.2%) of the companies surveyed indicated that divisions of continuing education should run management education programs. A review of the data indicates that those companies that feel most negatively toward divisions of continuing education managing the management education programs would be Large, Medium, and Small sized, Service companies in the Eastern region of the area surveyed.

TABLE 9:

"How would you rank the quality of programs in management education conducted in-house, by divisions of continuing education, schools of management, the private sector, and schools of education, on a scale of 1-10 with 1 representing the lowest overall quality and 10 representing the highest overall quality?"

Descriptive Statistics:

There are 79 variables and 168 cases in the data set.
304 surveys were sent out.

Variable	Valid Cases		Number Missing	
	#resp	%resp	#resp	% resp
In-House	156	51.3	12	3.9
Private	128	42.1	40	13.2
Cont. Ed.	130	42.8	38	12.5
School of Mgmt.	128	42.1	40	13.2
School of Ed.	120	39.5	48	15.8

Variable	Mean	Std. Dev.	Variance
In-House	7.75641	2.21674	4.91392
Private	6.54688	2.33625	5.45809
Cont. Ed.	6.04615	1.98770	3.95096
School of Mgmt.	6.64062	2.43237	5.91642
School of Ed.	6.05010	1.99322	4.05688

The data in Table 9 indicate that in-house programs were rated highest for quality. Other rankings indicate that second was schools of management; third was private firms; fourth was schools of education; fifth was divisions of continuing education.

The data in Table 9 regarding the number of responses and percentage of responses is the number and percentage taken of the total of 304 questionnaires that were sent out.

TABLE 10:

"How would you rank the cost of programs in management education conducted in-house, by divisions of continuing education, schools of management, the private sector, and schools of education, on a scale of 1-10 with 1 representing the lowest cost and 10 representing the highest cost?"

Descriptive Statistics:

There are 79 variables and 168 cases in the data set.
304 surveys were sent out.

Variable	Valid Cases		Missing	
	#resp	%resp	#resp	% resp
In-House	148	48.7	20	6.6
Private	128	42.1	40	13.2
Cont. Ed.	128	42.1	40	13.2
School of Mgmt.	130	42.8	38	12.5
School of Ed.	125	41.1	43	14.1

Variable	Mean	Std. Dev.	Variance
In-House	4.29730	2.90361	8.43095
Private	7.40625	2.66499	7.10218
Cont. Ed.	5.29688	2.23024	4.97396
School of Mgmt.	7.00000	2.66341	7.09375
School of Ed.	5.29688	2.66499	7.10218

The data in Table 10 indicate that in-house programs were ranked as the lowest cost. Other rankings for low cost indicate that second was schools of education and divisions of continuing education (tie); fourth was schools of management; fifth was private firms.

The data in Table 10 regarding the number of responses and the percentage of responses is the number and percentage of the total of the total of 304 questionnaires that were sent out.

TABLE 11:

"How would you rank the value for money of programs in management education conducted in-house, by divisions of continuing education, schools of management, the private sector, and schools of education, on a scale of 1-10 with 1 representing the lowest value and 10 representing the highest value?"

Descriptive Statistics:

There are 79 variables and 168 cases in the data set.
304 surveys were sent out.

Variable	Valid Cases		Missing	
	#resp	%resp	#resp	% resp
In-House	144	47.4	24	7.9
Private	120	39.0	48	15.8
Cont Ed/School Ed	124	40.8	44	14.5
School of Mgmt.	124	40.8	44	14.5

Variable	Mean	Std. Dev.	Variance
In-House	8.15278	2.45328	6.01858
Private	6.33333	2.44718	5.98870
Cont Ed/School Ed	6.50000	1.93119	3.72951
School of Mgmt.	6.35484	2.08112	4.33104

The data in Table 11 indicate that in-house programs were ranked as providing the highest value for the money expended. Other rankings indicate that second was divisions of continuing education/schools of education; third was schools of management; fourth was private sources.

The data in Table 11 regarding the number of responses and percentage of responses is the number and percentage of the total number of 304 questionnaires that were sent out.

TABLE 12:
What percent of training and education budget is spent with each source?"

Descriptive Statistics:

There are 79 variables in 168 cases in the data set.
304 surveys were sent out.

Variable	Mean	Std. Dev.	Variance
In-House	53.3333	35.0931	1231.53
Private	11.0714	16.7201	279.561
Cont. Ed.	8.33333	13.3158	177.309
School of Mgmt.	4.70238	8.33599	69.4887
School of Ed.	2.01013	3.13580	64.1026

The data in Table 12 indicate that 53% of the dollars spent are budgeted for in-house training and education, 11% of the dollars are budgeted for private suppliers, 8% for divisions of continuing education, 4.7% for schools of management and 2% for schools of education.

TABLE 13:
"What kinds of programs are run in-house?"

	#sent	Leadership/Mgmt		Communications		Technical		Total	
		#	%	#	%	#	%	#	%
North	70	28	40.0	8	11.4	6	8.6	42	60.0
South	72	34	47.2	4	5.6	4	5.6	42	58.3
East	101	52	51.5	14	13.9	16	15.8	82	81.2
West	61	2	3.3	2	3.3	2	3.3	6	9.8
Total	304	116	38.2	28	9.2	28	9.2	172	56.6
Large	138	62	44.9	16	11.6	14	10.1	92	66.7
Medium	88	40	45.5	6	6.8	8	9.1	54	61.4
Small	78	14	17.9	6	7.7	6	7.7	26	33.3
Total	304	116	38.2	28	9.2	28	9.2	172	56.6
Mfg	156	32	20.5	4	2.6	10	6.4	46	29.5
Service	148	84	56.7	24	16.2	18	12.1	126	85.1
Total	304	116	38.2	28	9.2	28	9.2	172	56.6

The data indicate that among in-house programs, leadership/management programs are used most frequently in the Northern, Eastern, and Southern regions of the country,

by Large, Medium, and Small businesses and by Manufacturing and Service companies. A profile of the kind of leadership/management program run in-house would be most needed by Eastern Medium Service companies.

TABLE 14:
"What kinds of programs are run through divisions of continuing education?"

	# sent	Leadership/Mgmt		Communications		Technical		Total	
		#	%	#	%	#	%	#	%
North	70	10	14.3	0	0.0	6	8.6	16	22.9
South	72	8	11.1	0	0.0	2	2.8	10	13.9
East	101	18	17.8	10	9.9	8	7.9	36	35.6
West	61	0	0.0	0	0.0	0	0.0	0	0.0
Total	304	36	11.8	10	3.3	16	5.3	62	20.4
Large	138	14	10.1	4	2.9	8	5.8	26	18.8
Medium	88	14	15.9	4	4.5	6	6.8	24	27.2
Small	78	8	10.2	2	2.6	2	2.6	12	15.4
Total	304	36	11.8	10	3.3	16	5.3	62	20.4
Mfg	156	16	10.3	0	0.0	4	2.6	20	12.8
Service	148	20	13.5	10	6.8	12	8.1	42	28.4
Total	304	36	11.8	10	3.3	16	5.3	62	20.4

The data in Table 14 indicate that leadership/management programs are most often run by divisions of continuing education. Technical programs are run by 5.3% of the companies that use division of continuing education to run management education programs. A review of the data regarding companies that use divisions of continuing education to run management education programs indicates that Medium sized Service and Manufacturing companies in the Northern and Eastern regions of the area surveyed use this means of educating their personnel.

TABLE 15:
 "What kinds of programs are run through the private sector?"

	# sent	Lead/Mgmt		Comms		Technical		Sls/Mktg		Total	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	70	20	28.6	6	8.6	2	2.9	2	2.9	30	4.3
South	72	10	13.9	2	2.8	0	0.0	0	0.0	12	16.7
East	101	24	23.7	4	4.0	6	5.9	8	7.9	42	41.6
West	61	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	304	54	17.8	12	3.9	8	2.6	10	3.3	84	27.6
Large	138	30	21.7	10	7.2	6	4.3	6	4.3	52	37.7
Medium	88	12	13.6	2	2.3	0	0.0	2	2.3	16	18.2
Small	78	12	15.4	0	0.0	2	2.6	2	2.6	16	20.5
Total		54	64.3	12	3.9	8	2.6	10	3.3	84	27.6
Mfg	156	18	11.5	4	2.6	0	0.0	2	1.3	24	15.4
Service	148	36	24.3	8	5.4	8	5.4	8	5.4	60	40.5
Total	304	54	17.8	12	3.9	8	2.6	10	3.3	84	27.6

The data in Table 15 indicate that leadership/management programs are the most frequently run programs by the private sector (17.8%). The data indicates that communications is the second most frequently run program with 3.9% and sales/marketing is third with 3.3%. A review of the data regarding the companies that use private suppliers to run management education programs indicates that they would be Large sized, Service Companies in the Northern and Eastern regions of the area surveyed use this means of educating their personnel.

TABLE 16:
 "What kinds of programs are run through schools of
 management?"

	# sent	Lead/Mgmt		Comms		Technical		Sls/Mktg		Total	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	70	14	20.0	0	0.0	2	2.9	2	2.9	18	25.7
South	72	8	11.1	0	0.0	0	0.0	0	0.0	8	11.1
East	101	20	19.8	2	2.0	4	4.0	4	4.0	30	29.7
West	61	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	304	42	13.8	2	0.6	6	2.0	6	2.0	56	18.4
Large	138	22	15.9	0	0.0	2	1.4	2	1.4	52	18.8
Medium	88	8	9.1	0	0.0	4	7.1	4	4.5	16	18.2
Small	78	12	15.4	2	2.6	0	0.0	0	0.0	14	17.9
Total	304	42	13.8	2	0.6	6	2.0	6	2.0	56	18.4
Mfg	156	20	12.8	0	0.0	3	1.9	2	1.3	25	16.0
Service	148	22	14.9	2	1.4	3	2.0	4	2.7	31	20.9
Total	304	42	13.8	2	0.6	6	2.0	6	2.0	56	18.4

The data in Table 16 indicate that leadership/management programs are the most frequently run management education programs (13.8%) by schools of management. Sales/marketing and technical are tied for second with 2%. A review of the data regarding the companies that use schools of management to run management education programs indicates that they would be Large and Small sized Manufacturers and Service companies in the Northern and Eastern regions of the area surveyed use this means of educating their personnel.

TABLE 17:
"Who develops the program curricula?"

	OUTSIDE SOURCES											
	In-House		Cont. Ed.		Private Sector		School of Mgmt.		School of Ed.		Total	
	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	38	15.5	3	1.2	6	2.4	8	3.3	2	0.8	57	
South	42	17.1	4	1.6	8	3.3	10	4.1	1	0.4	65	
East	80	32.5	6	2.4	10	4.1	12	4.9	2	0.8	110	
West	8	3.3	1	0.4	2	0.8	2	0.8	1	0.4	14	
Total	168	68.3	14	5.7	26	10.6	32	13.0	6	2.4	246	100
Large	88	35.8	9	3.7	18	7.3	22	8.9	3	1.2	140	
Medium	44	17.9	4	1.6	6	2.4	8	3.3	2	0.8	64	
Small	36	14.6	1	0.4	2	0.8	2	0.8	1	0.4	42	
Total	168	68.3	14	5.7	26	10.6	32	13.0	6	2.4	246	100
Mfg	52	21.1	2	0.8	7	2.8	12	4.9	1	0.4	74	
Service	116	47.2	12	4.9	19	7.7	20	8.1	5	2.0	172	
Total	168	68.3	14	5.7	26	10.6	32	13.0	6	2.4	246	100

(The percentage of responses shown in Table 17 relate to the total number of responses to the question.)

The data in Table 17 indicates that 68% of the respondents developed the curricula in-house. 13% of the respondents indicated that schools of management developed the program curricula and that 1-.6% of the respondents used the private suppliers to develop the curricula for management education programs. A review of the data regarding the needs in the area of the development of curricula of management education programs indicates that the companies would be most likely to be Large sized, Service companies in the Eastern region of the area surveyed.

TABLE 18:
"How is the need for in-house programs determined?"

	Lead/Mgmt		Comms		Technical		Sls/Mktg		Total	
	#	%	#	%	#	%	#	%	#	%
Training Coordinator	90	53.4	16	9.5	16	9.5	5	3.6	127	75.6
Mid-Mgmt.	20	11.9	4	2.4	2	1.2	5	3.0	31	18.5
Upper-Mgmt.	10	5.9	0	0.0	0	0.0	0	0.0	10	5.9
Total	120	71.4	20	11.9	18	10.7	10	6.0	168	100.0

(The percentage of responses in Table 18 relates to the total number of responses [168]).

The data in Table 18 indicate that from the responses received training coordinators 75.6% of the time determine the needs for in-house programs. The data indicate that mid-management determines the need for management education programs in 18.5% of the individual companies that responded.

TABLE 19:
"Who determines the faculty for in-house programs?"

	Lead/Mgmt		Comms		Technical		Sls/Mktg		Total	
	#	%	#	%	#	%	#	%	#	%
Training Coordinator	120	71.4	20	11.9	18	10.7	10	6.0	168	100.0
Mid-Mgmt.	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Upper-Mgmt.	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	120	71.4	20	11.9	18	10.7	10	6.0	168	100.0

(The percentage of responses in Table 19 relates to the total number of responses [168]).

The data in Table 19 indicates that the faculty for in-house programs are chosen by the training directors. 100% of the respondents indicated that the faculty is chosen by the training coordinator.

TABLE 20:
"Approximately how many in-house programs are run each year?"

	# sent	25 or less		26 to 50		over 50		Total	
		#	%	#	%	#	%	#	%
North	72	20	27.7	4	5.6	10	13.9	34	47.2
South	70	18	25.7	6	8.6	14	20.0	38	54.3
East	101	40	39.6	6	5.9	14	13.9	60	59.4
West	61	2	3.3	2	3.3	2	3.3	6	9.8
Total	304	80	26.3	18	5.9	40	13.2	138	45.4
Large	138	36	26.1	12	8.7	26	18.8	74	53.6
Medium	88	24	27.3	4	4.5	10	11.3	38	43.2
Small	78	20	25.6	2	2.6	4	5.1	26	33.3
Total	304	80	26.3	18	5.9	40	13.2	138	45.4
Mfg	156	20	12.8	8	5.1	12	7.7	40	25.6
Service	148	60	40.5	10	6.8	28	18.9	98	66.2
Total	304	80	26.3	18	5.9	40	13.2	138	45.4

(The percentage of responses shown in Table 20 relate to the total number of questionnaires sent out.)

The data indicate that 80 individuals (26.3%) of companies that responded run less than 25 management education programs per year. The data in Table 20 indicate that 13.2% of the individuals of companies that responded ran 50 or more management education programs per year. A review of the data regarding the needs of the companies in the area of running 25 programs or less would be most needed by Large, Medium, and Small sized Service companies in the Eastern region of the area surveyed. A review of the data

regarding the needs of companies in the area of running 50 or more management education programs indicates that they would be most needed by Large sized Service companies in the Southern part of the area surveyed.

TABLE 21:
"Which programs are most successful and run continually?"

	# sent	In-House Programs		Outside Programs		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	70	38	54.3	0	0	38	54.3
South	72	42	58.3	0	0	42	58.3
East	101	80	79.2	0	0	80	79.2
West	61	8	13.1	0	0	8	13.1
Total	304	168	55.3	0	0	168	55.3
Large	138	88	63.8	0	0	88	63.8
Medium	88	44	50.0	0	0	44	50.0
Small	78	36	46.2	0	0	36	46.2
Total	304	168	55.3	0	0	168	55.3
Mfg	156	52	33.3	0	0	52	33.3
Service	148	116	78.4	0	0	116	78.4
Total	304	168	55.3	0	0	168	55.3

(The percentage of responses shown in Table 21 relate to the total number of questionnaires that were sent out.)

The data in Table 21 indicate that the companies run in-house programs on a continuous basis. The data indicate in-house programs are considered the most successful. A review of the data regarding needs in the area of the most successfully run programs on a continuous basis indicates that they would be most needed by Large sized Service companies in the Eastern part of the area surveyed.

TABLE 22:
 "What is the preferred source of external programs?"

	# sent	Schools of Mgmt.		Schools of Ed.		Divs. of Cont. Ed.		Private Sources		Total	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	72	18	25.0	2	2.8	8	11.1	10	13.9	38	52.8
South	70	10	14.3	0	0.0	10	14.3	4	5.7	24	34.3
East	101	28	27.7	6	5.9	12	11.9	34	33.7	80	79.2
West	61	0	0.0	0	0.0	0	0.0	4	6.6	4	6.6
Total	304	56	18.4	8	2.6	30	9.9	52	17.1	146	48.0
Large	138	26	18.8	4	2.9	14	10.1	26	18.8	70	50.7
Medium	88	22	25.0	4	4.5	10	11.4	14	15.9	50	56.8
Small	78	8	10.3	0	0.0	6	7.7	12	15.4	26	33.3
Total	304	56	18.4	8	2.6	30	9.9	52	17.1	146	48.0
Mfg	156	16	10.3	4	2.6	8	5.1	14	9.0	42	26.9
Service	148	40	27.0	4	2.7	22	14.8	38	25.7	104	70.2
Total	304	56	18.4	8	2.6	30	9.9	52	17.1	146	48.0

(The percentage of responses shown in Table 22 relate to the total number of questionnaires that were sent out.)

The data in Table 22 indicate that 108 (35.5%) of the companies surveyed prefer schools of management and private providers as the source of external programs. The data indicates that schools of management are preferred by 56 (18.4%) and private providers by 52 (17.1%). A review of the data regarding the needs in the area of the preferred source of external programs indicates that they would be needed by Large and Medium sized Service companies in the Eastern part of the area surveyed.

TABLE 23:
 "What could Higher Education do to better fulfill future needs in management education programs?"

	Needs of Industry			Better Communication With Industry		Total	
	# sent	#resp	%resp	#resp	%resp	#resp	%resp
North	72	20	27.8	8	11.1	28	38.9
South	70	12	17.1	8	11.4	20	28.6
East	101	24	23.8	26	25.7	50	49.5
West	61	2	3.2	2	3.2	4	6.6
Total	304	58	19.1	44	14.5	102	33.6
Large	138	32	23.2	22	15.9	54	39.1
Medium	88	14	15.9	14	15.9	28	31.8
Small	78	12	15.4	8	10.3	20	25.6
Total	304	58	19.1	44	14.5	102	33.6
Mfg	156	12	7.7	10	6.4	22	14.1
Service	148	46	31.1	34	23.0	80	54.1
Total	304	58	19.1	44	14.5	102	33.6

(The percentage of responses shown in Table 23 relates to the total number of questionnaires that were sent out.)

The data in Table 23 indicate that 102 (33.6%) respondents replied that an understanding of the needs of industry by higher education and better communication with industry are the most important needs that higher education could fulfill in management education programs. 58 (19.1%) of the respondents identified an understanding of the needs of industry and 44 (14.5%) identified better communication as the means that higher education could better fulfill the future needs of industry in management education programs. A review of the data regarding the needs of future industry management education programs indicates that they would be most needed by Large sized Service companies in the Eastern part of the survey area.

Tables 24-36 represent data from the responses of colleges and universities. Table 24 presents the responses to the questionnaire according to the location, size and type of the educational institution responding. For purposes of this research, a large college or university is defined as one with over 7,500 students; medium, 3,000 to 7,500 students; small, under 3,000.

TABLE 24:
RATE OF RETURN FOR COLLEGES AND UNIVERSITIES

LOCATION	#sent	#resp	%resp	SIZE	#sent	#resp	%resp	TYPE	#sent	#resp	%resp
North	15	5	33.0	Large	28	16	57.1	Public	28	16	57.1
South	15	9	60.0	Medium	21	12	57.1	Private	32	18	56.3
East	20	16	80.0	Small	11	6	54.5				
West	10	4	40.0								

(The percentage of response in Table 24 is based on the total number of questionnaires sent out.)

The data indicate that the Large sized, Private institutions of higher education in the Eastern region of the area surveyed responded to the survey in the most significant numbers: 16 (80%) Eastern schools, 16 (57.1%) Large schools, and 18 (56.3%) private schools responded.

TABLE 25:
 "Do you presently offer management education programs?"

	#sent	YES		NO		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	15	3	20.0	2	13.3	5	33.0
South	15	6	40.0	3	20.0	9	60.0
East	20	12	60.0	4	20.0	16	80.0
West	10	3	30.0	1	10.0	4	40.0
Total	60	24	40.0	10	29.4	34	56.7
Large	28	14	50.0	2	7.1	16	57.1
Medium	21	6	28.6	6	28.6	12	57.1
Small	11	4	36.4	2	18.2	6	54.5
Total	60	24	40.0	10	16.7	34	56.7
Public	28	11	39.3	5	17.9	16	57.1
Private	32	13	40.6	5	15.6	18	56.3
Total	60	24	40.0	10	16.7	34	56.7

(The percentage of responses shown in Table 25 relate to the total number of questionnaires that were sent out.)

The data indicate that 24 (70.6%) of the colleges and universities surveyed offer management education programs. The data indicate that medium sized schools were split in the answers. The data indicate that 14 (50%) of the large schools offer management education. The data indicate that public and private schools are similar in their offerings of management education programs, with 11 (39.3%) of the public schools and 13 (40.6%) of the private schools offering management education programs. A review of the data of the institutions of higher education that provide management education programs indicates that they would most likely be the Large sized, Public, Private institutions in the Eastern part of the area surveyed.

TABLE 26:
"What types of programs do you offer?"

	#sent	In-House #	In-House %	Lead./Mgmt. #	Lead./Mgmt. %	Technical #	Technical %	Total #	Total %
North	15	2	13.3	1	6.7	0	0.0	3	20.0
South	15	4	26.7	2	13.3	0	0.0	6	40.0
East	20	6	30.0	4	20.0	2	10.0	12	60.0
West	10	2	20.0	1	10.0	0	0.0	3	30.0
Total	60	14	23.8	8	13.3	2	8.3	24	40.0
Large	28	8	28.6	4	14.3	2	7.1	14	50.0
Medium	21	5	23.8	1	4.8	0	0.0	6	28.6
Small	11	1	9.1	8	72.7	0	0.0	4	36.4
Total	60	14	23.3	8	13.3	2	3.3	24	40.0
Public	28	7	25.0	3	10.7	1	3.6	11	39.3
Private	32	7	21.8	5	15.6	1	3.1	13	40.6
Total	60	14	23.3	8	13.3	2	3.3	24	40.0

(The percentage of responses shown in Table 26 relates to the number of questionnaires that were sent out.)

The data indicate that in-house programs were the most successful. The data indicate that 14 (23.3%) of colleges and universities ran in-house programs. Eight (13.3%) indicated that they ran leadership/management programs. The data indicate that in-house programs are the most successful with large and medium colleges and universities. Eight (27.6%) large colleges and universities and 5 (23.8%) medium sized colleges and universities indicated that they ran in-house management education programs as their most successful. Eight (72.7%) of small colleges and universities indicated that they ran leadership/management programs as their most successful. In-house programs and leadership/management programs were the two most successful programs offered by both public and private colleges and

universities. Seven (25.0%) of the public colleges and universities indicated that in-house programs were the most successful. Three (10.7%) of the public colleges and universities surveyed indicated that leadership/management programs were the second most successful. Seven (21.8%) of the private colleges and universities surveyed indicated that in-house management education programs were the most successful. Five (15.6%) of the private colleges and universities surveyed indicated that leadership/management programs were the second most successful management education program.

TABLE 27:
"Who is responsible for program development?"

	Faculty		Clients		Faculty/ Clients		Divs. of Cont. Ed.		Others		Total	
	#sent	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	#resp %resp	
North	15	2 13.3	1 6.7	1 6.7	1 6.7	1 6.7	1 6.7	1 6.7	1 6.7	6 40.0		
South	15	3 20.0	3 13.3	2 13.3	1 6.7	0 0.0	9 60.0					
East	20	8 40.0	2 10.0	2 10.0	3 15.0	2 10.0	17 85.0					
West	10	1 10.0	1 10.0	1 10.0	0 0.0	2 20.0	5 50.0					
Total	60	14 23.3	7 11.7	6 10.0	5 8.3	5 8.3	37 61.7					
Large	28	8 28.5	3 10.7	2 7.1	3 10.7	3 10.7	19 67.9					
Medium	21	3 14.3	3 14.3	3 14.3	2 9.5	1 4.7	12 57.1					
Small	11	3 27.3	1 9.1	1 9.1	0 0.0	1 9.1	6 54.5					
Total	60	14 23.3	7 11.7	6 10.0	5 8.3	5 8.3	37 61.7					
Public	28	7 25.0	3 10.7	2 7.1	1 3.6	2 7.1	15 53.6					
Private	32	7 21.9	4 12.5	4 12.5	4 12.5	3 9.4	22 68.8					
Total	60	14 23.3	7 11.7	6 10.0	5 8.3	5 8.3	37 61.7					

(The percentages of response shown in Table 27 relate to the number of questionnaires that were sent out.)

The data in table 27 indicate that faculty is the most frequent developer of program curriculum. The data indicate

that 14 (23.3%) of the respondents identified faculty, 7 (11.7%) identified client only. Six (10.0%) identified faculty and clients working together and 5 (8.3%) of the respondents identified divisions of continuing education as the developer of program curriculum. A review of the data regarding the developer of curriculum indicated that they would be faculty of Large sized, Public or Private institutions of higher education in the Eastern region of the area surveyed.

TABLE 28:
"Who chooses faculty?"

	#sent	School #resp	%resp	Outside #resp	Experts %resp	Others #resp	%resp	Total #resp	%resp
North	15	2	13.3	1	6.7	0	0.0	3	20.0
South	15	4	26.7	3	20.0	1	6.7	8	53.3
East	20	8	40.0	1	5.0	1	5.0	10	50.0
West	10	2	20.0	1	10.0	0	0.0	3	30.0
Total	60	16	26.7	6	10.0	2	3.3	24	40.0
Large	28	9	32.1	4	14.3	1	3.6	14	50.0
Medium	21	4	19.0	2	9.5	1	4.8	7	33.3
Small	11	3	27.3	0	0.0	0	0.0	3	27.3
Total	60	16	26.7	6	10.0	2	3.3	24	40.0
Public	28	8	28.6	4	14.3	0	0.0	12	42.9
Private	32	8	25.0	2	6.3	2	6.3	12	37.5
Total	60	16	26.7	6	10.0	2	3.3	24	40.0

(The percentage of responses shown in Table 28 relate to the number of questionnaires that were sent out.)

The data in Table 28 indicate that the colleges and universities choose the faculty. 16 (26.7%) of the colleges and universities indicated that the school chooses the faculty. 6 (10.0%) of the colleges and universities

indicated that outside experts choose the faculty. A review of the data regarding the institutions of higher education that choose the faculty for management education programs indicates that they would most likely be Large sized, Public or Private institutions in the Eastern region of the area surveyed.

TABLE 29:
"How are fees that you charge determined?"

ANSWERED	WOULD NOT ANSWER	Total
1	33	34

The data in Table 29 indicate that 33 (97%) of the colleges and universities declined to answer this question. One university, a Large, Public, Eastern university, fixed fees on the basis of all cost plus a 20% profit.

TABLE 30:
"What trends do you see developing in management education programs?"

	#sent	Diversity in Workforce		Technical		International		Ethical		Total	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	15	2	13.3	1	6.7	2	13.3	0	0.0	5	33.3
South	15	6	40.0	2	13.3	1	6.7	0	0.0	9	60.0
East	20	6	30.0	4	20.0	6	30.0	0	0.0	16	80.0
West	10	1	10.0	1	10.0	1	10.0	1	10.0	4	40.0
Total	60	15	25.0	8	13.3	10	16.7	1	1.7	34	56.7
Large	28	8	28.5	4	14.3	3	10.7	1	3.6	16	57.1
Medium	21	5	23.8	2	9.5	5	23.8	0	0.0	12	57.1
Small	11	2	18.2	2	18.2	2	18.2	0	0.0	6	54.5
Total	60	15	25.0	8	13.3	10	16.7	1	1.7	34	56.7
Public	28	8	28.6	4	14.3	4	14.3	0	0.0	16	57.1
Private	32	7	21.9	4	12.5	6	18.8	1	3.1	18	56.3
Total	60	15	25.0	8	13.3	10	16.7	1	1.7	34	56.7

(The percentage of responses shown in Table 30 relate to the number of questionnaires that were sent out.)

The data in Table 30 indicate that 15 (25%) of the colleges and universities that responded identified diversity in the work force as a trend that is developing in management education programs. The data indicate that 10 (16.7%) of the respondents identified international issues as a developing trend. 8 (13.3%) of the respondents identified technical issues as a developing trend and 1 (1.7%) of the respondents identified ethical issues as a developing trend. A review of the data regarding the institutions of higher education programs indicates that they would most likely be Large sized, Private colleges or universities in the Eastern region of the area surveyed.

TABLE 31:

"Are there significant legislative or social impacts on management education programs?"

	#sent	NO		YES		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	15	3	20.0	1	6.6	4	26.7
South	15	5	33.3	3	20.0	8	53.3
East	20	10	50.0	4	20.0	14	70.0
West	10	2	20.0	1	10.0	3	30.0
Total	60	20	33.3	9	15.0	29	48.3
Large	28	7	25.0	7	25.0	14	50.0
Medium	21	10	47.6	0	0.0	10	47.6
Small	11	3	27.3	2	18.2	5	45.5
Total	60	20	33.3	9	15.0	29	48.3
Public	28	9	32.1	5	17.9	14	50.0
Private	32	11	34.3	4	12.5	15	46.9
Total	60	20	33.3	9	15.0	29	48.3

(The percentage of responses shown in Table 31 relate to the number of questionnaires that were sent out.)

The data in Table 31 indicate that there is no significant legislative or social impacts on management education programs. 20 (33.3%) of the colleges and universities that responded to the question indicated a "no" answer. 9 (15%) of the respondents answered "yes" and identified affirmative action and women's rights as issues. A review of the data regarding the institutions of higher education that identified whether there was significant legislative or social impacts on management education programs indicates that they would most likely be Medium sized, Private and Public schools in the Eastern region of the area surveyed.

TABLE 32:
"What are the methods used to solicit new business in management education programs?"

	#sent	Direct Solicitation		Advertising/ Direct Mail		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	15	2	13.3	2	13.3	4	26.7
South	15	5	33.3	4	26.7	9	60.0
East	20	6	30.0	8	40.0	14	70.0
West	10	2	20.0	2	20.0	4	40.0
Total	60	15	25.0	16	26.7	31	51.7
Large	28	7	25.0	9	32.1	16	57.1
Medium	21	6	28.6	3	14.3	9	42.9
Small	11	2	18.2	4	36.4	6	54.5
Total	60	15	25.0	16	26.7	31	51.7
Public	28	10	35.7	6	21.4	16	57.1
Private	32	5	15.6	10	31.3	15	46.9
Total	60	15	25.0	16	26.7	31	51.7

(The percentage of responses shown in Table 32 relate to the number of questionnaires that were sent out.)

The data in Table 32 indicates that colleges and universities use direct solicitation and advertising/direct mail to solicit new business in management education programs. The data indicate that 16 (26.7%) of the colleges and universities that responded to the survey indicated that they used advertising/direct mail to solicit new business. The data indicate that 15 (25.0%) of the colleges and universities that responded to the survey indicated that they used direct solicitation to solicit new business in management education programs. A review of the data regarding institutions of higher education that identified that they used advertising/direct mail indicates that they would most likely be Large, Private schools in the Eastern region of the area surveyed. A review of the data regarding institutions of higher education that identified that they used direct solicitation indicates that they would likely be Large, Public schools in the Eastern or Southern regions of the area surveyed.

TABLE 33:
 "What is the best way to promote management education programs?"

	#sent	Alumni		Students		Personal Contact		Mail		Telephone		Total	
		#	%	#	%	#	%	#	%	#	%	#	%
North	15	1	16.7	1	6.7	1	6.7	2	13.3	0	0.0	5	33.3
South	15	2	13.3	1	6.7	4	26.7	1	6.7	1	6.7	9	60.0
East	20	3	15.0	1	5.0	3	15.0	6	30.0	3	15.0	16	80.0
West	10	0	0.0	0	0.0	1	10.0	1	10.0	0	0.0	2	20.0
Total	60	6	10.0	3	5.0	9	15.0	10	16.7	4	6.7	32	53.3
Large	28	2	7.1	0	0.0	7	25.0	4	14.3	2	7.1	15	53.6
Medium	21	3	14.3	2	9.5	2	9.5	3	14.3	1	4.8	11	52.4
Small	11	1	9.1	1	9.1	0	0.0	3	27.3	1	9.1	6	54.5
Total	60	6	10.0	3	5.0	9	15.0	10	16.7	4	6.7	32	53.3
Public	28	1	3.6	2	7.1	7	25.0	5	17.9	0	0.0	15	53.6
Private	32	5	15.6	1	3.1	2	6.3	5	15.6	4	12.5	17	53.1
Total	60	6	10.0	3	5.0	9	15.0	10	16.7	4	6.7	32	53.3

(The percentage of responses shown in Table 33 relate to the number of questionnaires that were sent out.)

The data from Table 33 indicate that 7 (25.0%) Large colleges and universities favor personal contact and 4 (14.3%) of Large colleges and universities indicate that direct mail is the best way to promote management education programs. The data indicate that 3 (14.3%) of Medium sized colleges and universities preferred alumni and 3 (14.3%) of Medium sized colleges and universities preferred direct mail. Three (27.3%) of Small colleges and universities indicated a preference for direct mail. The data indicate that 15 (53.6%) of public colleges and universities prefer management education programs through personal contact. The data indicate that 17 (53.1%) of private colleges and universities indicated that the best methods to promote

management education programs are alumni contact and direct mail programs. A review of the data regarding the institutions that used alumni, students, personal contact or telephone as the best way to promote management education programs indicates that they would most likely be Large sized, Private or Public colleges and universities located in the Southern region of the area surveyed.

TABLE 34:

"Do you work with other schools or divisions on your campus in regards to management education programs?"

	#sent	NO		YES		Total	
		#resp	%resp	#resp	%resp	#rest	%resp
North	15	1	6.6	3	20.0	4	26.6
South	15	5	33.3	3	20.0	8	53.3
East	20	7	35.0	7	35.0	14	70.0
West	10	0	0.0	3	30.0	3	30.0
Total	60	13	21.0	16	26.7	29	48.3
Large	28	5	17.8	9	32.1	14	50.0
Medium	21	6	28.6	4	19.0	10	47.6
Small	11	2	18.2	3	27.3	5	45.5
Total	60	13	21.0	16	26.7	29	48.3
Public	28	4	14.3	10	35.7	14	50.0
Private	32	9	28.1	6	18.8	15	46.9
Total	60	13	21.0	16	26.7	29	48.3

(The percentage of responses shown in Table 34 relate to the number of questionnaires that were sent out.)

The data in Table 34 indicate that 16 (26.7%) of the colleges and universities that responded work with other schools or division on their campuses in regard to management education programs. The data in Table 34 indicate that 13 (21.0%) of the colleges and universities

that responded do not work with other schools or other division on their campuses in regard to management education programs. The data in Table 34 indicate that 10 (35.7%) of public institutions of higher learning work with other schools or divisions on their campuses in regards to management education programs. The data in Table 34 indicates that 9 (28.1%) of private colleges and universities are more likely not to work with other schools or divisions on their campuses in regards to management education programs. A review of the data regarding the colleges and universities that work with other schools or divisions on their campuses in regards to management education programs indicates that they would most likely be Large sized, Public colleges and universities located in the Eastern region of the area surveyed. A review of the data regarding the colleges and universities that do not work with other schools of divisions on their campus in regards to management education programs indicates that they would most likely be Medium sized, Private colleges and universities located in the Eastern region of the area surveyed.

TABLE 35:
 "What do you see as the future of management education programs over the next 10 years?"

	#sent	In-House/Specialized		On Campus/Non-Specialized		Total	
		#resp	%resp	#resp	%resp	#resp	%resp
North	15	4	26.7	1	6.7	5	33.3
South	15	9	60.0	0	0.0	9	60.0
East	20	15	75.0	1	5.0	16	80.0
West	10	3	30.0	1	10.0	4	40.0
Total	60	31	91.2	3	50.	34	56.7
Large	28	15	53.5	1	3.6	16	57.1
Medium	21	11	52.4	1	4.8	12	57.1
Small	11	5	45.5	1	9.1	6	54.5
Total	60	31	51.7	3	5.0	34	56.7
Public	28	15	53.6	1	3.6	16	57.1
Private	32	16	50.0	2	6.3	18	56.3
Total	60	31	51.7	3	5.0	34	56.7

(The percentage of responses shown in Table 35 relate to the number of questionnaires that were sent out.)

The data in Table 35 indicate that 31 (51.7%) of the respondents of colleges and universities believe that specialized in-house management programs represent the future of management education for the next ten years. 3 (5.0%) of the colleges and universities who responded indicated that on campus non-specialized management education programs represent management education for the next 10 years. The data in Table 35 indicate that 15 (53.5%) of Large, 11 (52.4%) of Medium and 5 (45.5%) of Small colleges and universities agree that specialized in-house programs represent the future of management education for the next 10 years. A review of the data regarding the colleges and universities that envision in-house specialized management education programs as the future of management

education indicates that they would most likely be Large sized Public and Private institutions of higher education in the Eastern region of the area surveyed. A review of the data regarding the colleges and universities that envision on campus non-specialized management education programs as the future of management education indicates that they would most likely be Large, Medium, and Small sized Private institutions of higher education located within the area surveyed.

TABLE 36:

"What do you see as the role of higher education in management education programs over the next 10 years?"

	#sent	Stronger		Weaker		About the Same		Total	
		#resp	%resp	#resp	%resp	#resp	%resp	#resp	%resp
North	15	1	6.7	1	6.7	3	20.0	5	33.3
South	15	1	6.7	1	6.7	7	46.7	9	60.0
East	20	2	10.0	1	10.0	12	60.0	16	80.0
West	10	2	10.0	1	10.0	2	20.0	4	40.0
Total	60	5	8.3	5	8.3	24	40.0	34	56.7
Large	28	2	7.1	1	3.6	13	46.4	16	57.1
Medium	21	2	9.5	1	4.8	9	42.9	12	57.1
Small	11	1	9.1	3	27.3	2	18.2	6	54.5
Total	60	5	8.3	5	8.3	24	40.0	34	56.7
Public	28	2	7.1	3	10.7	11	39.3	16	57.1
Private	32	3	9.4	2	6.3	13	40.6	18	56.3
Total	60	5	8.3	5	8.3	24	40.0	34	56.7

(The percentage of responses shown in Table 36 relate to the number of questionnaires that were sent out.)

The data in Table 36 indicate that 24 (40.6%) of the respondents indicate that the role of higher education in management education programs over the next ten years will about the same as it is currently. The data indicate that

13 (46.4%) Large and 9 (42.9%) Medium colleges and universities expect the role of higher education in management education programs to remain about the same over the next ten years. Three (27.3%) of the Small colleges and universities indicates that higher education's role in management education programs will weaken over the next ten years. The data indicate that 11 (39.3%) of Public and 13 (40.6%) of Private colleges and universities expect the role of higher education in management education programs will remain about the same over the next ten years. A review of the data regarding the colleges and universities that expect that the role of higher education in management education would remain the same over the next ten years indicates that they would most likely be Large sized, Public or Private institutions of higher education located in the Eastern region of the area surveyed.

Analysis of the Data

This is an analysis of the results of the questionnaires that were returned by companies in the private sector. In the Wall Street Journal of May 29, 1990, page 1, it was reported that "training workers at colleges costs companies \$2.9 billion a year.¹³¹ The American Society for Training and Development says total training expenditure comes to \$30 billion, of which \$9 billion goes to outside contractors including the schools". This means that 70% of the educational dollars spent by industry is spent entirely within the company (in-house) and approximately 90% of the educational dollars is spent on education other than that provided by colleges and universities. This fact was noted as the analysis of the questionnaire results were evaluated.

Analysis of Companies That Use Colleges and Universities for Management Education Programs

The first analysis done was to see the percentage of companies that reported using colleges and universities as a source for their management education programs. Sixty-one companies, 36%, replied that they used colleges and universities as a source for their management education. Of the 61 companies 58 used the schools of management as the source for their management education, 14 used schools of education, and 40 used divisions of continuing education.

Some of the companies indicated that they hire university professors, particularly from the schools of management to act as outside consultants in their in house programs. The only school that was mentioned as a sole source of supply for management education programs was the school of management. Analysis of the companies that used colleges and universities as a source to conduct the management education programs showed companies from all sections of the country and represented companies in the following industries: communications, electronic data processing, chemicals, hotels and motels, and computers. Other industries that responded to the survey included pharmaceutical manufacturing, automotive manufacturing, photography manufacturing, paper manufacturing, government, paper processing, and health care. Companies in the following industries also responded to the survey: semiconductors, petroleum refining, life insurance, pipe manufacturing, telephone communications, banking, aluminum wiring, cosmetics, graphics processing, credit union, and casualty insurance. The companies that provided data represented large, medium and small companies.

The critical needs that the companies had in management education programs that are conducted by colleges and universities focused on leadership, planning, performance appraisal, delegation of authority, managing stress, interpersonal communications, problem solving, managing

change, strategic management and marketing management. Most of these firms saw their future needs in management education programs focusing on strategic planning, leadership skills, and managing in a changing environment. Managing in a changing environment was mentioned under many designations such as managing to meet different customer needs, managing of workers whose makeup is changing and managing effectively to react to changing governmental policies and regulations. From the amount of material on the subject of managing in a changing environment submitted by the companies is a subject which is of strong concern to companies.

The companies that used colleges and universities as a source for their management education programs were aware of the programs offered by colleges and universities and in many cases were able to identify specific programs run by specific schools.

Fifty-eight of 168 the businesses who responded to the survey shared the concern that the colleges and universities should have a better understanding of what business needs are and how those needs might be met. A representative of a North Carolina insurance company summed up the concern by saying "academic institutions should be encouraged to listen to our needs rather than dictate what they could offer." The training director of a large eastern communications equipment manufacturer stated that "more communication

between the colleges and universities and the training functions are needed to share new ideas and keep abreast of what each other is doing." The program director of a Columbus Ohio Life Insurance company was more direct when he stated "academic institutions need to be out in the community meeting business people to see what is happening in the real world." There were many similar statements from other people who were interviewed from the group that used colleges and universities as a source of supply for their management education programs.

The analysis of how companies ranked the sources for their management education programs shows that they ranked their in-house programs as the best. The rankings were on a 1-10 scale, 1 representing the lowest overall quality and 10 representing the highest overall quality. The in-house programs had the highest average rating of 7.75, schools of management were ranked second at 6.64. The private sector was ranked third with a rating of 6.54, division of continuing education ranked fourth with a rating of 6.05 and schools of education were tied at fourth with a rating of 6.05.

Cost ratings were based on a scale of 1-10, 1 being least expensive and 10 being most expensive. When ranked as to cost the private sector was ranked as the most costly with a rating of 7.40 closely followed by the schools of management with a rating of 7.00. The division of

continuing education was rated as 5.29, schools of education at 5.29 and in-house programs at 4.30.

The respondents were also asked to rate each provider according to value received for the money spent again. Again the rating was done on a scale of 1-10 with 1 considered a poor value and 10 considered an excellent value. In reviewing this rating the in house programs were rated first at 8.15, the divisions of continuing education ranked second at 6.50 and included the rating for the schools of education. Schools of management were rated at 6.35 and private providers were rated at 6.33.

A final question was asked as to what percentage of their budgets was spent with various providers. In house programs accounted for 53% of the budgets spent, schools of management were estimated to receive 4.0% of the dollars spent, private suppliers were estimated to receive 11.1% of the budgets spent, divisions of continuing education were estimated to receive 8% of the dollars spent and schools of education 2% of the dollars spent.

An analysis was also done on the types of programs that are provided in house, through divisions of continuing education, the private sector, schools of management, and schools of education. In house management education programs focused on management, supervisory skills, leadership skills, writing programs, new age thinking, labor relations, interacting effectively, communications and team

building. The programs that were provided by continuing education were listed as general management courses, some language courses, individual courses selected by individuals to meet individuals needs, basic computer courses, basic technical courses. One of the larger hotel/motel chains summed up their relationship with divisions of continuing educations by saying "our employees are allowed to take work related courses that the company will pay for."

The analysis of programs supplied by the private sector identifies topics such as customer service, speaking effectiveness such as a Dale Carnegie, crisis management, quality control, negotiations, technical training, performance appraisal, time management, sales and marketing.

The analysis of programs that are run by schools of management for the companies that use colleges and universities in their management education shows that the topic matter is focused on areas involving executive management programs, strategic planning, forecasting, sales management, financial management, executive development, leadership skills, management in international environment, strategic marketing.

Representatives of a large savings bank in Connecticut said in regards to the schools of management "we utilize them for higher levels of business related courses. This enables management to get a high level viewpoint of what

others are thinking and what current knowledge is available in highly specialized areas."

The schools of education were used by business in the areas of curriculum design, human resource management and communication.

In the analysis of who develops the program curriculum how the needs for in house programs are determined and who determine whether these needs will be fulfilled the answers were consistent and uniform. The companies determine the curriculum and this is done by the training coordinators in the company. The needs for programs are developed from communication with low level, mid level and upper management as to individual department needs and individual personnel needs. Top level management usually are the people who determine whether the money will be expended and the needs met. A medium sized insurance company in the southeast illustrated this process by stating,

our staff trainers assess the education needs in meetings with various department managers, then the staff trainers identify whether those needs can be met on an in house basis....[If the needs cannot be met in-house] then the training functions identifies the outside source that will best fit the need. This program is then submitted back to the department for approval and reviewed and approved by top management. The process of interviewing management throughout the company and assessing management education needs is a constant and ongoing process. It is part of my job!

The manager of the training function of a large credit union said,

I develop all in house management education programs and the curriculum for all of the programs. The

process that works for us is informal meetings between mid level managers and myself to determine the needs. Since 80% of our needs can be filled in house this is the way that we tend to go first.

It is consistent that the faculty for the in house programs are selected by the companies. Eighty percent of the companies reported that in house programs are usually taught by in house trainers. The companies felt that the in house trainers were more knowledgeable on company goals, needs and priorities and could teach the subjects in a more meaningful manner. One of the respondents also mentioned that "cost was a factor in that top management wanted in house assets utilized before outside expertise was recruited."

When the programs were run externally 74% of the companies preferred to deal with schools of management or private providers and 20.5% would prefer to deal with division of continuing education.

A large paper manufacturer said "schools of management are more responsive and flexible to meet the needs of our business". A very large petroleum refiner and marketer of petroleum products told us "We would rather deal with schools of management because their expertise and their experience is much broader and much more public." A large chemical company reported "schools of management and private providers have generated the best results in the past." A financial institution was very candid and their training director said "[compared to divisions of continuing

education] we prefer private providers and schools of management because they have the important ingredient of field experience. The lectures from the schools of management and private providers are more likely to have current information and experience."

The head of management education at a medium sized insurance company preferred private providers and division of continuing education as he said "private providers and divisions of continuing education understand business better. Professors tend to either oversell on the subject or they lecture like they don't care." A large automotive manufacturer commented,

we would prefer to deal with private providers or divisions of continuing education. They are more cooperative, costs less yet provide good curriculum context. Private providers are easier to consult with and easier to contract with they seem to have a better understanding of industry in the real sense. Academia is too much theory.

The companies that used college and universities to conduct their management education programs were also asked how the college and universities could fulfill these needs in the future. The answers to this question were of two categories. (1) The colleges and universities could have a better understanding of the individual needs of a company. In many cases the companies suggested that representatives from the colleges and universities call on industry and get an understanding of the corporate needs, culture and issues that the company faces. (2) There should be greater

communication between colleges and universities. This is particularly true of deans of schools, college presidents, senior executives and so called captains of industry. While there is dialogue between program coordinators and training directors, there is a lack of communication at the top. a large mining company summed this feeling up when he said "we must have the people who are in the overall charge of the programs like the dean of a school or the president of the university talk to the captains of industry about the need of management education. Basically this communication will sell management education to the people at the upper end of the line."

Analysis of Companies That Use In-House Management Education Programs

The analysis of the companies that used in house management education programs shows that the critical needs of their business at a particular time will determine the need for management education. Management education is needed in the development of people skills, sales training, marketing management, technology supervisory skills, conflict management, time management, management in a down sized environment, risk taking management, report writing, team building and general management training. The critical need for companies that provide management education programs on an in-house basis is usually for managers or

supervisors who are at the early stages in their management careers.

This critical need was identified by a large eastern hotel/motel company as their training director said "we want to develop people skills and project classroom knowledge into everyday life settings. The training director of a large midwestern specialty consumer goods manufacturer stated "the management education programs should make sure that young managers have all the knowledge about working in a staff position and to transfer this knowledge into working skills that will enable them to generate good working conditions." The Human Resource training officer of a medium sized New Jersey financial institution stated "management education programs are structured up to prepare future managers to take on responsible positions in the organization."

The future needs of management education programs as viewed by the companies that utilized in house training programs were much the same as today's needs. Representatives of these companies reported that general management education particularly for recent college graduate will be needed. The representatives of the companies also saw a need to tie in this education with practical hands on experience. Other future needs that were cited included management education in cultural diversity, managing in a changing environment in cultural diversity,

managing in a changing environment, technology, communication skills both written and verbal, succession management, conflict management, management diversity and greater emphasis on executive management education as an example of the comments the coordinator of management education programs for a large consumer products paper company stated,

we need more one on one programs that are tailor made for the development of individuals and teams. The shotgun approach to management education in which the manager is given a little of this and a little of that has never worked and is even less effective today.

The management education director for a large midwestern petroleum retailer reported in the survey "future needs of management education programs will be geared to much of today's needs. Customer needs, product knowledge and training the trainers. Additionally we are and will continue to focus on skills education and the education of new management personnel." The management education program director for a large national chain of newspapers said:

the future needs for management education is in two areas the first one being the improvement of communication skills particularly in regards to older experienced managers and the second need is to improve the sales ability of managers.

Respondents of a leading eastern communications company stated:

in the future management education must focus on team building and employer awareness. Other areas that future management education programs must focus on are the opportunities for growth and the ability to manage these opportunities.

The training director for a large camera and film manufacturer was very clear in the future needs of management education programs. She stated:

the future needs of management education programs are the same as today's needs, namely the improved training of middle managers in supervisory skills and strategic planning. Needs that are emerging are career development planning, managing in a global environment, and the management of change particularly in the area of technology and demographics.

The companies that used in house management education programs generally did so because they thought that in house programs were less expensive and that the in house teachers in the programs had more in the way of expertise in managing within the company. This statement can be illustrated by the following examples. The training director for a large securities investment firm used in house management education programs "because of the low cost and the effectiveness of the provider." The program director of a large Boston based environmental consulting firms stated "having someone in the company who knows the business inside and out and is aware of the needs makes the programs better." The director of human resources of a large eastern paper converting firm said "we utilize in house talent to teach in a flexible program that has been designed to meet individual and specific needs." The program coordinator of a very large Houston based oil company said that they used in house people "as it is easier to relate to sources that are familiar with and very specific to our industry." The

training and management education director for a large national consumer products paper company said "we are more effective using in house people in these programs."

Educational institutions are concerned with efficiency and numbers rather than the effectiveness of the program and helping the individual participants succeed."

All of the companies that indicated that they used in house people to conduct their management education programs were aware of the management education programs offered by local institutions of higher learning. Many of these companies named the institutions and programs offered.

Sixty seven percent of the companies that conducted in house management education programs think that the communications between their business and academic institutions is either adequate or good at the present time. However there was a comment that kept recurring in at least 43% of the answers and the comment is that academic institutions do not understand the company's business and do not understand the needs of the business. A sporting goods manufacturer in Bradenton, Florida replied:

educational institutions cannot speak business language they must interpret it to use it. They don't understand our needs and will have to change and relate to us in a more positive way.

A Baltimore Maryland consumer products manufacturer replied "that colleges were weak in two areas: (1) target specific needs of each company, (2) colleges do not contact companies for update on their needs." The training

director, with 30 years experience, of a New Jersey machine tool company said "academic persons should go where the problems are and determine what is needed to solve those problems." A suggestion that was reiterated more than once on how communication could be improved between their business and colleges and universities was to allow students to work in internship programs.

The responses from companies that ran in house management education to the question "Should Divisions of continuing education run management education programs" showed an almost 50-50 split. However, the companies that responded with a negative answer clarified their answers with comments "continuing education doesn't have the individual problems that need to be solved like a company does." Another commented "continuing education can only cover the basics, they cannot teach or coach leadership. Why? Because they are not focused on the individual." A third company commented "continuing education is often not knowledgeable of current management trends." An Ohio Systems Design firm thought that "continuing education should run management education programs only if they are equipped to do so. At the present time they are not equipped to handle this function."

The companies that use in house management education programs reported that they allocate between 75% and 90% of their education budgets to in house programs. The remaining

10% to 25% of the budgets were split almost evenly between division of continuing education, schools of management and private providers. Under division of continuing education, these companies also included schools of education, as the percentage was considered too small to measure.

The companies that predominantly rely on in house management education programs reported the types of programs that are generally run on in house basis, included technical banking skills, career development, decision risk analysis, performance appraisal, management development, report writing, true management, training the trainers, sales, maintenance management, management assessment, communication, negotiation, computer skills and supervisory education.

The companies that held management education programs on an in house basis reported that when they used programs that are sponsored by divisions of continuing education that these programs were continuing engineering programs, basic skills, business writing, speed reading, financial accounting, small group communication, computer training and leadership assessment.

In their cooperative dealings with the private sector the companies that generally used in house programs for management education used the private sector for programs in career development, valued added management, time management, motivational skills performance management,

training the trainer, communications management, stress management, and international management.

Those programs, that were mentioned by the companies that sponsored in house management education, and which programs used schools of management as a source of teaching expertise, were identified as cash management, leadership management, executive management, decision making, strategic management, sales training, advanced management development organizational behavior, operations management and strategic marketing planning.

The companies that run in house training programs mentioned that they used school of education for expertise in curriculum design, communications, and interpersonal skills education.

Program curriculum in the programs that are run on an in house basis was reported to be done at least 90% of the time by the company. This means that the companies are using their own resources most of the time. A very large petroleum refiner and retailer explained their system "first of all a needs assessment is done with the department that requires the education and then a course is designed to meet the needs. Typically this is done by in house employees. However, in rare cases we will seek the assistance of an outside consultant, private providers, schools of management, division of continuing education, schools of education and we will work with them to work out the

curriculum." In all of the survey questionnaires that were returned 100% of the companies reported that they established the need for the program and then determined if they had the qualified personnel on hand to fit those needs. It was established by 10% of the respondents that if it was a college or university program then the college or university would design the program.

It was emphasized by several respondents that the need for management education programs was determined by the training groups working within the Human Resources Department. From the reports it appears the control for management education resides in the group and that they are the control point as to the determination of management education needs and how these needs will be addressed.

The companies that run in house management education programs identified the most successful programs as time management, leadership skills, problem solving, sales, supervisory management communication skills, professional development, interaction management, motivational management, and total quality management.

The companies that run in house management education programs signified a lack of preference when dealing with divisions of continuing education, private providers, schools of management or schools of education in regards to obtaining external expertise. Whichever organization can

best fill a specific need will be the organization that an in house oriented management education company will turn to.

Companies that use in house management education programs said that higher education could better fulfill their future needs in these programs by

- 1) Assessing business needs in the area better;
- 2) Fostering relationships with the business community better;
- 3) Understand what is taking place in the work place and teach practical management subjects rather than theoretical management subjects.

Some illustrative quotations from companies will tend to emphasize the thinking of the management on this subject. The representative of a medium sized Ohio company said that colleges and universities must "do a better job at assessing business needs." The training director of a large midwestern petroleum retailer said "higher education can contribute to future needs by fostering relationships with the local business community." The program coordinator of one of the largest consumer paper goods manufacturers stated "if higher education could become more directly involved as the private providers do, in our needs and fulfilling those needs and leave their favorite structures and theories on the fringes, then higher education might be more attractive to us in management education." The human resources director of a Cincinnati Ohio supermarket chain said "have

higher education spend more time with the business community and design programs based on the business needs."

The training director of a major Texas based oil refiner and retailer said:

development of more programs by schools of management to support quality management and continuous performance improvement is vital and necessary. People must be taught that focusing on improvement of process is more important than focus on outcomes. Managers must be taught to become leaders and principally how to empower their subordinates to take responsibility and achieve results.

Finally, a short quote from the Vice President of a Mississippi bank who said:

"higher education must come out of the ivory tower and work in the real world. They must understand and use adult learning theory and they must learn to understand the practical needs that management education has today."

Analysis of the Questionnaires Reported by Colleges and Universities

Analysis of the results of the returned questionnaires from the colleges and universities shows a wide diversity as to the number and type that offer management education programs and those that do not. Of the number of institutions sampled 71% responded that they offer some type of management education program while 29% said that they did not presently offer management education programs. Of the 29% that do not offer management development programs, many of these institutions had developed non credit management education programs and have canceled such offerings due to a

lack of interest by industry or the fact that the development of those programs was not cost effective. The contact at a private southern university stated "that it is the trend in his area for an increasing extensive development of a wide range of such programs in many companies." Other institutions of higher learning that do not currently sponsor non credit management education programs reported that "companies are designing these programs to teach students real life scenarios." Several other institutions of higher learning reported that budget cuts by industries had eliminated the type of sponsored programs.

The 71% of institutions of higher educations that sponsor non credit management education programs reported that the school of business administration and the schools of management were the most successful at developing, managing and running the non credit management education programs. In the analysis of the replies it became apparent as to why this is so. Most of the colleges and universities that said they have successful programs identified that success was the result of three circumstances. First of all they have changed the program content to fit the needs of their clients. Over 73% of the respondents replied that the curriculum is set by the faculty and clients working together. In many cases the Dean of the School of Management would become involved with the client in regards

to management education programs. In the research sections it was revealed that the "traditional approaches" were not currently working. By "traditional approaches" the contact meant situations in which a university would set up a traditional program and run the same program two or three times per year. This contact stated that "programs are now being specifically developed for companies with specific goals in mind." Greater reliance is being placed on programs that can take advantage of a manager's work knowledge, action learning and hands on experience. This status is being driven by a world marketplace which is placing an emphasis on interpersonal skills. A large public west coast university not only confirmed the previous statements but went further saying that "companies have introduced the subject of ethics into the instruction of management and are placing an emphasis on human concern rather than only on productivity." A large southern public university reported that some of their client companies are developing non credit management education programs that are focused on women and immigrant populations. Some of these client companies are of the opinion that women and minorities will represent a larger percentage and will have a greater impact on the future makeup of management. Thus future management education programs need to be focused toward these groups. The comment was also made "that in the future, white males will have to deal with this diversity

although this issue is not presently addressed in the programs." A large eastern private university also stated that "the success of the program was due to the school being more closely in tune with the needs of business and maintaining a closer link with not only the business community but specific businesses as well."

The second reason most often cited for the success of the programs was a very active, constant, and oftentimes consuming solicitation of business by the individual college or university. Many of the colleges and universities that do not have programs in non credit management education also did not have strong ties to industry. A small private eastern institution stated "that the best programs they offered were custom designed programs for specific companies and for specific groups within those companies." These programs generally resulted from long involvement between the institution and the companies and a constant solicitation by the school to maintain the ties to the school by industry. A medium sized southern university reported that "we are actively soliciting all the time." The Dean of the school has the responsibility for these programs and the dean, the faculty as well as a program coordinator all solicit industry for their non credit management education programs." A large private eastern university maintains contact with industries through direct mail solicitation, personal phone calls to past program

participants and follow up calls to local metropolitan companies. A large metropolitan public university reported that they solicit participants for their non credit management education programs by making "sales calls". This is done by the program director because the programs have to be self supportive. A well known eastern state university said "the best way to promote the non credit management education programs is by direct mail to alumni groups and former participants in other programs and through personal contacts with companies for new programs directed to view groups of managers". This director of non credit management education programs also said that "up to 30,000 contacts have to be made to initiate a successful new program".

A third circumstance that contributes to the success of the programs which are sponsored by schools of management/schools of business administration. The schools of management have direct access to alumni who can relate to the school, the faculty and the curriculum. The alumni appear to represent a potential source of support for these programs especially at a time that more and more programs are being developed on an in-house basis. This third circumstance becomes very important as a source for potential candidates for a program.

Without exception the colleges and universities in looking at the future, are forecasting more in house programs over the next 10 years. These in house programs

are focused in specialized areas such as interpersonal skills, managers and the greater use of technology, international management (by this they indicated managing in an international market), and managing diverse workforces. As evidence of this a large private southeastern university that presently offers management education programs foresaw a trend towards "managing diverse work forces and incorporating technology into management." A very large midwestern public university replied that "there is enormous interest in specialized in house programs due to company downsizing and many companies are seeking management training and development help both from institutions of higher learning and the private sector." Another point made by the representative of this state university was "there is a trend towards restructuring of the corporate hierarchy and a definite movement towards team building within the company." Thus "the need for in house management education programs particularly in regards to interpersonal skills has never been greater." A medium sized eastern private college reported trends towards (1) training of managers in quality content particularly in interpersonal skills emphasis, (2) management in an international environment, (3) short term intensive focus, and (4) increased use of technology in management as well as the improved use of technology in training. This knowledgeable person also mentioned that the fact that her institution has been getting strong interest

for in house specialized programs on the topics of solid waste management, emergency management, and management of health and costs.

A large public university located in the mid atlantic states has seen definite trends that focus on leadership training, job innovation and transnational communications. A small eastern public college reported a definite trend towards programs that focus on participatory management with particular emphasis on training middle managers in this important area. The program director also said "management education programs must be sensible because as middle managers receive more responsibility, the management education programs are oftentimes the most reliable means for them to learn how to manage this greater responsibility". A large New England private university reported that there is a strong demand for international management education programs and that more and more these programs are being done in house. Finally a large west coast private university reported that there is greater demand for international programs and programs that focus on interpersonal relationships. Many schools mentioned that there is a secondary trend developing that has management education programs that focus on the needs of women managers and minority managers. These programs were mentioned most often by colleges and universities in the south and the west coast.

CHAPTER V

FOCUS

In the design of the study in Chapter 1 (page 5) it was stated that the study would be structured to answer specific questions: (1) What are the critical needs of business in management education programs? (2) How are those needs likely to change in the future? (3) How will these needs be satisfied? (4) What impact will the satisfaction of those needs have on business and higher education? (5) Would the elimination of divisions of continuing education as the conduit through which business deals with higher education, particularly in management education programs, offer a more direct link that continuing education was intended to provide?

To obtain the answers to these questions research of current and previous material was completed. Additionally two different questionnaire were prepared and sent out to 304 businesses and 60 colleges and universities. The 304 businesses were located in all regions of the United States, were of different sizes (small, medium, and large) and were in both service and manufacturing industries. Of the 304 businesses contacted 168 (55.3%) responded. The 60 colleges and universities were located in all regions of the United States, were of different sizes (small, medium, and large), and were both private and public institutions of higher

education. Of the 60 colleges and universities that were contacted, 34 (57%) responded.

Answers to the above stated research questions will be a starting point to prove or disprove the hypothesis stated in Chapter 1 that a growing segment of business is developing management education curricula which are narrow in focus and which serve specific limited corporate objective. It was further stated in Chapter 1 that this is the approach used because business believes that practical hands on education better serves its needs than the theoretical management education offered by academic institutions. The rationale for this study stemmed from three major issues:

I: The management education programs currently offered by academic institutions are not fulfilling the management education needs of business. This has prompted business to develop and promote its own management education programs, and these corporate programs present for-profit alternatives to non-profit institutions.

II: The direction of the development and implementation of future credit and non-credit management education programs is unclear. Some corporations are conferring degrees on candidates. Bell South Corp. is an example. Concern is being raised about the type of curriculum that such programs

offer, the narrowness of curriculum objectives, and whether only particular corporate objectives are being served to the overall detriment of the student.

In the future, this trend could place in-house management education programs as an alternative source to those programs offered by academic institutions. Bell South reported it saw an opportunity to offer these programs and attract new revenue by marketing the services to outsiders.¹³² Educators and managers are beginning to question the reasons that industry is giving for becoming so strongly involved in management education as well as the rationale they are offering for developing their own management education programs. Kinlaw and Christensen questioned the rationale used for the development of industry sponsored management education programs.¹³³

III: Communication between business and higher education regarding management education is inadequate. The data in Table 23 of the survey of companies indicate that 14% of the respondents reported this fact. Both sectors have a different purpose in educating managers. Business believes that managers should have more practical, hands-on education and have better interpersonal skills. Starcevich and Sykes reported that Phillips Petroleum stated that their needs were to make management education as pragmatic as possible.¹³⁴ This is reflected in the pragmatic curriculum

and objectives of in-house management education programs. Academic institutions believe in a more theoretical management education curriculum, but they tend to run the same courses on management education repeatedly and these courses are rarely innovative. Douglas Hall made this point in his writing on the cognitive approach to learning.¹³⁵ Thus the business and academic community are not communicating what one needs and the other could provide. Cassaboom and Cassaboom stated the companies want programs to satisfy their needs.¹³⁶

In citing this problem, Porter and McKibbin concluded, "In general, executives think the relations between higher education and the corporate world are inadequate."¹³⁷ This researcher agrees with their assertion. Unless each sector understands and appreciates the value of what the other sector needs and can offer, we will find a hodgepodge of management education programs with little or no meaningful continuity. This is wasteful and non-productive.

What Was Found

The specific questions that the study was structured to answer were previously identified as (1) What are the critical needs of business in management education programs, (2) How are those needs likely to change in the future, (3) How will these needs be satisfied, and (4) What impact will the satisfaction of those needs have on business and higher

education. (5) Would the elimination of divisions of continuing education as the conduit through which business deals with higher education, particularly in management education programs, offer a more direct link that continuing education was intended to provide?

In the analysis of the data to answer Question 1 (What are the critical needs of business in management education programs), the data indicate that leadership management and communications are the two critical areas most often cited. Of the companies surveyed, 124 (73.8%) stated that leadership management was the most important issue in management education programs. 30 (17.9%) of the 168 responses by companies stated that communications was the second most critical need of management education programs.

Colleges and universities indicated from the data received that specialized in-house programs and management/leadership were the two most successful programs. The data received indicated that 22 (36.6%) of the schools responding reported that in-house programs designed for a specific need of a business and management/leadership were the critical needs of business in management education programs. From the research material it was cited by Phillips Petroleum Corporation that the needs of management education programs were "to make the management educational experience as pragmatic as possible while providing new ideas, concepts and theoretical approaches to the

participants."¹³⁸ Douglas Hall identified the correction of managerial deficiencies that exist among middle and executive managers as a situation that can cause a serious dilemma for a corporation.¹³⁹ Rothwell noted that companies have a need to introduce the strategic planning process in organizational management education programs.¹⁴⁰ The strategic planning process is a management function.

Question 2 asked how those needs are likely to change in the future. 129 (42.4%) of business concerns identified that leadership/management programs will be the largest management education needs of the future. The colleges and universities reported three factors that are likely to influence future management education programs. The three factors are diversity in the workforce, technical education and international issues. 15 (44%) of the respondents identified diversity in the workforce, 8 (24%) of the respondents identified technical education and 10 (29%) identified international issues. Starcevich and Sykes identified these trends when they identified that management education needs were focusing on additional areas: (1) business strategies specific to the organization, (2) world-wide business issues, and (3) information technology.¹⁴¹

Question 3 of the study identified how those needs will be satisfied. 168 (100%) of the respondent companies indicated in the survey that they choose the source of management education programs to fit the particular need.

146 (48%) of all companies and 87% of the respondents indicated that they were aware of management education programs at institutions of higher education. However, 162 (96%) of the respondents indicated that they conduct the management education programs on an in-house basis and 72 (42%) of the respondents indicate that they use private providers. 58 (34%) of the respondents used schools of management and 40 (24%) of the respondents indicated that they utilized divisions of continuing education and 14 (8%) of the respondents used the schools of education to conduct management education programs. The data in the survey indicates that 76% of the time that training coordinators determine the needs of the management education program and that 100% of the time training coordinators chose the faculty for in-house training management education programs.

Research has indicated that the trend to in-house management education will continue to satisfy the needs of management education programs. Starcevich and Sykes wrote that Phillips Petroleum learned, as had other companies previously, that their needs for management education programs were different from the products that colleges were willing to provide.¹⁴² Krueger and May described two reinforcement techniques which are now employed by in-house company management education programs and which are not typically utilized in university programs.¹⁴³ Wallace wrote that colleges and universities are involved in less

than 10% of all corporate training programs.¹⁴⁴ This circumstance takes place even though U.S. corporations increased the budgets in 1989 by over 12% and planned to increase future budgets by even greater amounts to adjust to foreign competition and open up new markets abroad. The data in the survey indicates that 31 (91%) of the 34 colleges and universities that responded agree that specialized in-house programs represent the future of management education. From the research and the survey the data would indicate that the needs will be satisfied to a greater extent on in-house management education programs.

Question 4 of the study identified the impact that the satisfaction of the future needs would have on business and higher education. In the study, 102 (61%) of the respondent companies indicated that an understanding of industry needs and better communication with industry are the most important needs that higher education could fulfill in management education programs. The data in the survey indicated that 24 (70%) of the respondent colleges and universities expect that the role of higher education in management education programs will remain the same over the next 10 years. Research indicates that companies are entering the education business. Bell South has already been accredited by the Southern Association of Schools and Colleges.¹⁴⁵ Wallace wrote that "some corporate sponsored programs are so similar to college offerings that they offer

academic credit or even lead to a degree."¹⁴⁶ This researcher suggests that the impact on business would be to increase the course offerings and to pose direct competition to university-sponsored programs. This would have a negative impact on colleges and universities.

However, there can be a negative impact on business if the satisfaction of the needs focus more and more on in-house management education programs and the offering of academic credit. Starcevich and Sykes identified that management education programs should expose managers to new ideas, current concepts, knowledge and information.¹⁴⁷ Starcevich and Sykes further identified that management issues are focusing on business strategies specific to the organization, world-wide business issues and information technology. Should business continue to expand the role of in-house management education programs [Wallace says 90% are in-house¹⁴⁸], then business will feel the negative impact of not gaining what Phillips Petroleum identifies as the exposure to current academic thinking, and to the current theoretical approaches that faculty are using to solve current managerial problems. Further, business will lose the exposure to new approaches and ideas that the participants could experience without the limitations or restraints that might be placed on them (either explicitly or implicitly) in a company program. C. Hall concluded that "The most effective management education programs,

therefore, place emphasis on how best to utilize and apply a variety of disciplinary skills."¹⁴⁹

The survey data and the research material indicate that a greater reliance on the use of in-house management education programs would have both positive and negative impacts on business and a negative impact on academia.

Question 5 of the study identified the future role of continuing education in the relationship of business and higher education, particularly in the area of management education programs. The responses from companies were split on this issue with 50% of the companies saying that continuing education should not be involved in this function. Follow up telephone calls produced the following reasons for bypassing continuing education:

- (1) Continuing education is not equipped to handle management education programs as they are not knowledgeable of current management needs and trends.
- (2) Divisions of continuing education can be slow to provide a program.
- (3) Alumni of individual schools of a university would prefer to identify with those schools and very seldom do they identify with a division of continuing education.
- (4) Companies that are depending more and more on in-house programs set the curriculum and hire the

instructors for those programs. They they see no role for continuing education in this area.

The companies that were questioned on this subject and answered negatively indicated that they would prefer to deal with individual schools in the university rather than divisions of continuing education. The indications are that the role of continuing education in management education programs will either continue to diminish or at best stay at a reduced level.

Overview

The existing non-credit management programs sponsored by colleges and universities are dealing with the needs of industry less and less. As a result, companies have turned more and more to running company-sponsored, in-house programs to meet these needs. These companies are spending 70% of the more than \$30 billion that industry spends on management education. Many companies are offering undergraduate and graduate credit courses as well as the non-credit management education programs. This situation is having a negative impact on the relationship between business and institutions of higher education. The trend toward business offering management education programs in-house is growing. Unless this trend is reversed, the long-term needs of business in management education may not be adequately addressed and fulfilled.

The problem was addressed through the research of previous and current research material. Sixty colleges and universities in all geographic regions within the United States were contacted and categorized by size (number of students) and type (public or private). Of the 60 colleges and universities contacted, 34 (57%) responded. Three hundred four companies in all geographic regions of the country were contacted and categorized by size (number of employees) and type (manufacturing or service). Of the 304 companies, 168 (55.3%) responded.

The companies and the colleges and universities were asked by means of a questionnaire how they currently view the problem and the solutions they are providing to solve the problem. The companies and the colleges and universities were also asked about the future trends for this problem and the solutions that would be recommended.

The results of the research and the survey indicate that the greatest need of management education programs is in the management/leadership area. The survey indicated that 96.5% of the companies conduct these programs on an in-house basis whereas only 43% conduct the programs through private providers and 35% use the schools of management to run these programs. Eighty-eight percent of the companies indicated that in-house programs were less costly to run, 92.9% rated in-house management education programs first in

quality and 85.7% ranked the in-house management education programs first in value for the money expended.

The results of the research indicate that communications between business and academia can be improved upon. Of the businesses that responded to the survey, 70.2% agreed with this statement. It was also indicated that colleges and universities must have a better understanding of the needs of business in management education programs, be able to react to changing needs and maintain better communications with business. Of the businesses that responded to a question on this subject, 56.9% indicated that colleges and universities could better fulfill the future needs of management education programs when they understood and react to the needs of industry. Forty three percent indicated that the future of colleges and universities in management education programs would best be fulfilled by communicating with industry about how the colleges and universities could interact and help to solve the problems of management education programs.

Summary

From what has been learned through study of the issues brought forth in this discussion and by the authors cited here, five important trends, developed over the past 15 years, become apparent:

(1) Companies have developed in-house management education programs and are using these programs for what they perceive as their best interest.

(2) Human Resource Development departments are gaining increased responsibility for the development and execution of the management education programs. HRD's ability to successfully manage these programs is questioned in some circles, but regardless, it is important to consider who has the responsibility for the management education function that is clearly growing in exposure and in cost.

(3) The business community has serious concerns about the relationship between higher education and management education programs. This concern stems from the feeling that higher education is not educating its students in the practical, hands-on education but rather is overstressing theoretical principles.

(4) Business thinks that management education should address short term business needs. These needs should be addressed in a practical way at the least cost and in the shortest time period. Business thinks that colleges and universities are not meeting these needs for the most part and thus business has turned to in house developed management education programs as the answer.

(5) Further changes in management education programs are coming. The needs of management education are changing and effective managers must be educated in how to recognize and management a non-static environment.

Recommendations

Based on twenty years in corporate management, four years in the management of education programs and eleven years in higher education, this researcher believes that the establishment of both education need and solutions should be accomplished with input from higher education and the corporate sector.

The research that has been completed in this dissertation indicates that further research should be completed on management education programs. Recommendation for further research and study in the area of trends in management education programs used by companies include in-house management education programs, management education programs offered for credit by companies, the selection of faculty for management education programs, and the source of programs that are used.

Recommendations for additional research and study in the area of trends in non-credit management education sponsored by institutions of higher education include the role of continuing education divisions in management education programs, the role of schools of management in

management education programs, the role of schools of education in management education programs. Future dissertations could research and write in depth in each of these areas.

The recommendation is also given that each of these subjects be taken as a single subject, alone. With the value of hindsight, if this project was to be done again it would concentrate on one of the specific areas listed rather than a comprehensive study of non-credit management education programs. The recommendation is given on further study and research into what could be done to:

- ▶ satisfy the interest of higher education in strengthening the link between the faculty and the business world;
- ▶ expose managers to the most current theory;
- ▶ develop concepts and knowledge in a given, specific area;
- ▶ provide a conduit for graduates to obtain positions on either an undergraduate cooperative or full-time post-graduate basis; and provide a source of revenue for higher education.

The recommendation is given to initiate research on how businesses can benefit from a partnership with institutions of higher education to fulfill the immediate needs in management education, tying together a wide range of skills from different disciplines. The recommendation is given for

further study and research on how the corporate world would be able to further identify the academic qualifications they are seeking in graduates and assist universities in deciding what curriculum changes to implement to meet those qualifications.

This must be a face-to-face relationship between the schools of business and the business world. Divisions of continuing education in many instances do not fill this role as well as other academic schools.

Should the trend toward companies developing and running their own management education program continue, the outlook is not promising for either corporations or higher education. Corporations will tend to continue to take the narrow approach to solve their problems. In the end, this potentially will defeat the purpose of those programs. Similarly, if the trend toward accreditation of these programs continues, then business will be in the education industry for the wrong reasons, with the wrong curriculum and possibly the wrong educators.

Business will focusing on management education with a very narrow viewpoint. The focus will be on what current management considers important; all management education will follow the current corporate philosophy. Having spent over twenty years in management, this researcher believes that such a narrow focus will not welcome alternative issues or alternative solutions. Thus, a lack of alternative

viewpoints and solutions will perpetuate the self-destructive results that will be caused by the process of using only in-house programs. The sole use of in-house programs can be likened to a strict in-breeding process that in time will diminish the effects of the programs. On the other hand, if companies actively readjust their thinking on in-house management education programs and institute a cooperative venture with colleges and universities, then the companies will gain a broader insight into many different methods to solve management problems. This cooperative venture would be similar to a hybridization process and would bring the best of both the business world and the world of higher education together for the benefit of each.

Without such adaptation, higher education will lose the essential contact and understanding of everyday problems that comes with a relationship with business, as well as a source for graduates' placements and additional needed funding.

Each sector has something to offer the other, and both will have lost an important resource unless a more cooperative relationship of education involvement is built.

Closing Thoughts

Management is concerned with the ability of managers to effectively manage within a changing environment. Business has determined that in-house management education programs

meet the needs and objectives of business far better than many of the management education programs sponsored by universities.

Management education programs are very important to both business and higher education. There is, however, a growing gap between these programs in business and education, and there is an urgent need to close it. Business executives are only moderately satisfied with management education in business schools and believe that students should have more practical hands-on education and possess better interpersonal skills. Business executives think relations between business schools and the corporate world are inadequate.

It has been indicated that unless the gap between higher education and the corporate world is bridged and the relations between education and business are strengthened, companies will increasingly use in-house management education programs to the detriment of colleges and universities, and potentially to the detriment of those companies which have an inadequate theoretical base for in-house management training.

With this in mind, executive management should be looking for alternatives. Still, the trend toward in-house management education will probably continue as long as top management feels that the link between theory and practice are too far apart, the cost versus the value received from

academic management education programs is unreasonable and communications between business schools and the corporate world are inadequate.

The problem is magnified when a division of continuing education enters the process because corporate management does not support continuing education's role in the development of management education. Corporate management is also looking closely at worker education to determine the education needs of non-managers.

Business is spending almost \$130 billion on education, as the public sector spends \$136 billion on education in the workplace. Business recognizes that education is the key to survival and that continuing decline in school performance will result in poorly educated and untrainable workers. This will hurt business because it will lessen productivity and profitability. Business leaders and academicians both recognize that they have problems educating managers. Thus far, they have not been able (or perhaps willing) to understand each other's needs and work towards solutions for mutual benefit.

This must be a face-to-face relationship between the schools of business and the business world. Divisions on continuing education in many instances do not fill this role as well as other academic schools.

Should the trend toward companies developing and running their own management education program continue, the

outlook is not promising for either corporations or higher education. Corporations will tend to continue to take the narrow approach to solve their problems. In the end, this potentially will defeat the purpose of those programs. Similarly, if the trend toward accreditation of these programs continues, then business will be in the education industry for the wrong reasons, with the wrong curriculum and possibly the wrong educators.

Higher education will lose the essential contact and understanding of everyday problems that comes with a relationship with business, as well as a source for graduates' placements and additional needed funding.

Each sector has something to offer the other, and both will have lost an important resource unless a more cooperative relationship of education involvement is built.

8. How would you rank the quality of programs in management education from in-house, continuing education, the private sector and schools of management? (Please use a scale of 1 to 10 with 1 representing the lowest overall quality and 10 representing the highest overall quality.)

- in-house schools of education
- private sector schools of management
- schools of continuing education

9. Rank these same sectors according to cost (1 being least expensive and 10 most expensive).

- in-house schools of education
- private sector schools of management
- schools of continuing education

10. Considering your responses to questions 8 and 9, rank each sector according to value for the money (1 being a poor value and 10 being an exceptional value).

- in-house schools of education
- private sector schools of management
- schools of continuing education

11. What percentage of your training and education budget is spent with each of these training sources?

- in-house schools of education
- private sector schools of management
- schools of continuing education

12. What kind of programs have you run (a) in-house, (b) through higher education, and (c) in the private sector?
13. Who develops program curricula and how is it developed, for (a) in-house programs, (b) academic programs, and (c) private sector programs?
14. How is the need for in-house programs determined?
By whom?
15. How are the faculty for in-house programs retained?
By whom?
16. Approximately how many in-house programs are run by your company in a year? What is your budget?
17. Which programs are the most successful and presented on a continuing basis?
18. If your programs are run externally, do you prefer to deal with schools of management, schools of education, divisions of continuing education or other private sources? Why?
19. What could higher education do better to fulfill your future needs in management education programs?

APPENDIX B:

SAMPLE QUESTIONNAIRE TO HIGHER EDUCATION

1. Do you presently offer management education programs?

yes no

2a. If you answered "yes", what type of programs do you offer?

2b. If you answered "no", have you offered these programs in the past? yes no

If you did, why were they discontinued?

3. Which of your programs are most successful? Why?

4. Who develops the curriculum for your programs?

faculty clients faculty and clients together
 division of continuing education school of management
 school of education other (explain)

5. How is the faculty for these programs selected?

by the school by outside experts other (who?)

6. How are the fees that you charge determined?

7. What trends do you see developing in management education programs?

8. Are there significant legislative or social impacts on management development program? If so, what are they?

9. Are you actively soliciting new business in management development programs. If so, how?

personal contact mail telephone contact

10. If you have had experience, which of the following have you found is the best way to promote managerial development programs?

alumni students personal contacts mail
 telephone contact other (please specify)

11. Do you work in conjunction with other schools or divisions on your campus with regard to management development programs?

yes no

If yes, who are they and how do you work together?

12. What do you see as the future of management development programs over the next 10 years? Why?

13. What do you see as higher education's role in management development programs over the next 10 years? Why?

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