Research Paper

Management Development Programs and The Readiness For Changes: A Study in Malaysia

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Abstract

The objective of the study is to test the relationship between management development programs and the readiness for changes among young managers in Malaysia. Four development programs were examined namely on-the-job programs, off-the-job programs, assessment and mentoring. The respondents were all below 45 years old and they are either performing professional occupations or in low to middle level positions and must have participated in development programs. 399 employees participated in the study. The Pearson's correlation test showed that assessment program was not significantly correlated to readiness for changes (r = .035, p > .01). On the other hand, readiness for changes was significantly correlated with the other three MDPs.

Key Terms: *readiness for changes, management development programs, Malaysia, young managers*

1.   Introduction

Organization needs systematic and continuous development programs in order to enhance the quality of the current employees. Lombardo and Eichinger (2000) posited that in any organization, providing the workers with the necessary training and management development programs is actually one of the most effective ways to make employees able to unleash their talents and potential. This is highly useful to make the organizations able to stay competitive despite the changes and challenges in the business. Having been able to cope with changes which are constantly affecting the business is thus pertinent. Therefore, management development programs (MDPs) are conducted and employers are willing to invest in the programs. Nevertheless, employers are also wary about the outcomes of the MDPs; whether the programs are able to instill the sense of readiness to embrace changes. Hence, the study is conducted.

2.   Literature Review

Management development programs

Organizing MDPs is a common practice in organizations with the objective to prepare younger employees to assume higher positions in the future. Various programs are used and the four common ones are off-the-job programs (FJDP), on-the-job programs (NJDP), mentoring and assessment programs.

OFJT programs in organizations refer to learning environment which takes place outside the workplace which engages variety methods such as instructor-led in classrooms, discussions, simulations, role plays and other instructional activities (Enos et al., 2003). Bassi and Van Buren (1999) noted that such programs are the most widely used for management development. According to Noe (2008), it is common to employers to arrange training programs like workshops, seminars and courses which are designed to teach employees with specific skills or knowledge. Another benefit of the program is the participants, who are mainly managers and high potential employees, have the opportunity to meet with people outside their boundaries and areas; and learn fundamental management concepts and skills. Nevertheless, many cited that OFJT as less effective in developing managers. For instance, Fisher (2007) reported that MBA program, which are regarded as among the most popular programs for management practitioners, failed to inculcate the management skills and competences simply because in the program, too much emphasis is put on the scientific theories and concepts instead of the practical sides of management.

Another type of management development programs which is widely used is on-the-job development programs. The program can be defined as the process of making employees to train by performing the job in the actual work setting (Jacobs, 2003). Noe (2008) referred ONJT as hands-on programs which provide the employees with real life work challenges through job enrichment, rotation and assignment on various work functions. ONJT is the most common program that is conducted in developing the skills of management employees because what is practiced by the learning managers is real (Bohlander and Snell, 2010; Cohn, 2007; Sisson, 2001). In a research done by Jacobs and Bu-Rahmah (2012), they found that the ONJT in the workplace has been expended greatly. On the other hand, van der Klink and Streumer (2002) had the opposite view. Based on their research, it was found that ONJT was actually only partially successful in achieving the learning outcomes. This could be due to the improper design of the program and poor implementation. According to Bohlander and Snell (2010), despite the popularity of ONJT, normally the programs are implemented poorly due to lack of program structure that fails to determine the expected competences to be acquired and the less skilled senior staff in providing the feedback to the learning managers.

Besides OFJT and ONJT, conducting assessment programs is also one of the components in management development programs. It is important to note that assessment programs are not like other training or development programs which aim to equip the employees with skills and knowledge. Assessment program is to gauge and identify the potential, talents and career interest in the employees (Noe, 2008). According to him, the common assessment programs are like performance appraisals, personality tests, psychological tests and assessment centers. Assessment programs are very useful in management development programs because it serves as the avenue for the employees to learn about their strengths, weaknesses and potential in their career. Based on their study, DeRue and Wellman (2009) reported that managers who receive more feedbacks on their performance tend to learn more about their management competences. The finding is in line with others (for e.g. Halpern, 2004; Morrison and Brantner, 1992) who concurred that in the effort to develop effective managers, assessment on performance is pertinent because employees have the opportunity to know how well they perform and how good their skills are at work.

Last but not least, another type of management development programs which is widely used is mentoring. According to Cunningham and Eberle (1993), a mentor is a very experienced person who acts as the role model to employees who are less experienced and the mentor serves as someone who gives guidance, advices and will be the point of reference. Mentoring relationship is essential for developing job related skills and competences in younger employees and future business leaders and it is a common strategy in recruiting, retaining, and promoting high potential talents (Eddy et al., 2001). Jossi (1997) and Kochan (2002) concurred that mentoring programs that are built with strong and caring relationships have been proven to increase personnel retention and most importantly accelerate the development of leadership. Scholars posited that potential managers who work under the guidance of experienced personnels tend to emulate their managerial behavior and attitude (Bandura, 1977; Decker and Nathan, 1985). This is so because the young managers who are working closely with the mentors get to observe the behavior of their mentors and eventually adopt the same attitude.

MDP and Change Readiness

As expounded earlier, management development programs are implemented to tap management talents and potential. Assessment programs like performance appraisals and psychological tests are conducted to identify employees who have to the aspiration to be future managers. There are also seminars, workshop and courses which are organized to equip the employees with management skills. Every organization needs systematic and continuous training and development programs in order to enhance the quality of the employees. Given the huge investment in management development programs, it is important to note that the objectives of the programs are actually two-pronged. First is to improve employees' skills with the aim to improve work performance. But that is not the only thing that matter. Nowadays, given the complex environment with rapid changes in markets and technologies, managers not only have to be equipped with the knowledge and skills to perform their work, but they must also have the willingness and readiness to adapt with changes. They should always be prepared for a new and different work environment.

Based on their research on 265 chief executives, Hutchison and Boxall (2014) reported that there are three fundamental management skills that all managers need to cope with the rapid changes in the world nowadays. The required skills are the ability to manage uncertainty and renewal, the ability to manage stakeholders and business partners and the ability to manage limited resources. Managers have no choice but to keep their head up and open their eyes, minds and hearts for changes and new experiences. Managers who are willing to learn tend to perceive uncertainties and changes as challenges and thus will put more effort in meeting the job requirements (DeShon and Gillespie, 2005; Dweck, 1986; Dweck and Legget, 1988). Further, McCall, Lombardo and Morrison (1988) postulated that employees who

participate in management development programs are tested their ability to think and behave in conditions which are new and ambiguous. Whether they succeed or fail, the most important goal is the employees get to learn new things. At this juncture, it is pertinent to design management development programs which are able to achieve at least two objectives; first is to produce managers who are receptive to changes and willing to take up new challenges and second is to equip the managers with the required competencies in fulfilling work goals. As posited by many scholars (for e.g. McCall, Lombardo and Morrison, 1988; Brutus, Ruderman, Ohlott and McCauley, 2000), managers and employees need to be given the opportunity to undergo diverse experiences in the workplace because from those that their motivation and readiness to change will eventually be developed.

3.   Research Design and Methodology

Research setting and procedures

Data were collected using survey forms that contained items that measured studied variables. Given the objective of the study that sought to examine the relationship between management development programs and the readiness for changes, the respondents must meet a number of criteria. The employees must be below 45 years old and are performing professional occupations or they were in middle to higher level positions (lowest position was administrative executive). Such criteria are set because these are the people who have the potential to assume higher positions in the organizations. It was also a pertinent condition for the respondents to have the experience of going through certain extent of MDPs regardless of how many organization they have been with.

One thousand survey forms were distributed to employees who meet with the criteria set by the researchers. The data collection was conducted in six states in Malaysia (namely Penang, Kedah, Melaka, Johor, Selangor and Kuala Lumpur). The potential respondents were approached using many ways like personal visits, email communications and regular mails. As a result, a total of 413 forms were received but quite a number of forms were poorly responded and thus only 399 were used for further analysis.

Measures

There were 22 items that measured four approaches in management development programs; "off-the-job development programs", "on-the-job development programs", "assessment programs" and "mentoring". The first three development programs were measured using items which were adopted and adapted from Juhdi et al. (2012) and mentoring was measured using items from Dreher and Ash (1990). All the items were measured on a scale of 1 (never) to 5 (very often). To measure readiness for changes, the items were adopted from Lombardo and Eichinger (2000) which originally used to measure learning agility which has four agility dimensions which range from people, results, mental and change. Since only sample items were given in the article, and thus for the present study, the items used were tapped and self-developed based on the general idea as expressed by Lombardo and Eichinger (2000). We also introduced new items which reflected the change readiness in terms of the willingness to assume higher responsibilities. These items were introduced because the participants of management development programs are expected to be ready taking up new positions at the higher ranks which have heavier responsibilities. The items were tapped from the works of Ready et al. (2010) and Schumacher (2009) which portrayed the leadership aspiration among those who are identified as high potential employees. All the items were measured on a scale of 1 (never) to 5 (very often).

4.   Results and Discussion

Pearson's Correlations Test

Table 1 presents the means, standard deviations, and intercorrelations of the study variables. Looking at the mean values of all the management development programs which ranged from 2.9 (assessment programs) and 3.3 (mentoring), they suggested that the respondents were given "moderate" amount of support in building their managerial talents. Assessment programs that were rated below 3 indicated the relatively low implementation by the employers in gauging their skills and performance. The moderate mean value for change readiness (i.e. 3.6) showed the average tendency for the respondents to accept changes, despite participating in MDPs.

Variable	M	SD	1	2	3	4	5
1. AP	2.9	.67					
2. Mentoring	3.3	.59	.366**				
3. NJDP	3.1	.69	.495**	.459**			
4. FJDP	3.2	.74	.235**	.403**	.363**		
5. Change readiness	3.6	.46	.035	.358**	.292**	.401**	

Note: AP: Assessment programs, NJDP: On-the-job development programs, FJDP: off-the-job development programs

**. Correlation is significant at the 0.01 level (2-tailed)

Table 1: Means, standard deviations, and intercorrelations of the study variables (N=399)

The Pearson's correlation tests indicated that all the four management development programs were significantly related to each other with positive directions. The correlation values were between .235 to .495 showed that the relationships were from weak to moderate level and the p values were all below .01. The test results suggested that when a development program is increasingly used, the other development program will also increase.

The Pearson's correlation test also showed that assessment program was not significantly correlated to readiness for changes ($r = .035$, $p > .01$). On the other hand, readiness for changes was significantly correlated with the other three MDPs. The significant correlations between readiness for changes and the three management development programs which ranged from .292 and .401, also showed weak-to-moderate relationships. However, despite the weak correlations, the results suggested that the higher the degree of participations in the mentoring, on-the-job and off-the-job development programs, the higher the readiness for changes will be.

Discussion

The objective of the study is to examine the influence of MDPs on readiness for changes of the program participants. The results from Pearson's correlation tests indicated that three out of four MDPs were significantly correlated to readiness for changes. Assessment programs were found insignificantly correlated. The overall results from the correlation tests provide support to the previous findings which strongly recommend the use of MDPs in developing managers talents because such programs are able to create the sense of openness to new experiences (McCall, Lombardo and Morrison, 1988; Brutus, Ruderman, Ohlott and McCauley, 2000).

The insignificant relationship between assessment programs and readiness for changes need to be given closer investigation. The finding is not in line with others which suggested that

employees who received feedbacks and reviews on their performance tend to learn better about themselves (DeRue and Wellman, 2009; Halpern, 2004; Morrison and Brantner, 1992). As posited earlier that assessment programs do not aim to equip employees with skills, but scholars argued that such programs are imperative in providing feedback to the employees (Noe, 2008; Halpern, 2004; Morrison and Brantner, 1992). The possible explanation to the insignificant finding could be due to the less systematic implementation of assessment programs in organizations. As reported by Edwards (2012) from their study that only 8 percent of the studied organizations used well-designed assessment programs, it is plausible to see why such programs fail to achieve the intended outcomes. Also as indicated by another study by Juhdi et al. (2013) that majority employers only used performance appraisal by the superiors as the method to measure performance and employees' potential, it is reasonable to see why the program is less effective. The results of the study indicated that in many organizations, assessment programs are still undermined and underutilized. The only popular ways used only confined to performance appraisals which are unable to tap the hidden talents of employees. Other ways like assessment centers and psychological tests are still not fully employed and thus resulting in less effective use of assessment programs.

5.   Implications of the findings

The study offers clearer perspective in the area of talent management. Employers use succession planning in their effort to identify young talents who are going to be the future managers in the organizations by conducting MDPs so that the employees are able to climb up the management ladder (Wilkins, Snell and Thomas, 2012; Luenerburger, 2012). Succession planning is pertinent because the current managers and CEOs are mostly baby-boomers who are going to retire soon (Kyndt et al., 2009). Despite the huge investment and the risk of losing the talents to other competitors, employers have to take the chances because not providing the opportunities for the high potential employees to expand their skills and capabilites would result in other consequences such as employee turnover and shortage of talents.

Acknowledgement:

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