

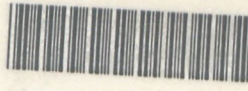
A MANAGEMENT DEVELOPMENT PROGRAMME
FOR THE LIFE ASSURANCE INDUSTRY

CRAIG G BRISTOW

368.32

A MANAGEMENT DEVELOPMENT
FOR THE LIFE ASSURANCE

CAPE/KAAPSE TECHNIKON
Library Item: 99000822



69351

RESEARCH REPORT IN PARTIAL COMPLETION OF
METERS DIPLOMA IN MANAGEMENT PRACTICE

3107221

CAPE TECHNIKON LIBRARY SERVICES  KAAPSE TECHNIKON BIBLIOTEEKDIENSTE

This book is due for return on the last date.
Please note that fines are levied on overdue books.
Renewals can be made telephonically, Tel: 460 3226/8

Hierdie boek moet op die laaste datum terugbesorg word.
Let asb. op dat boetes op agterstallige boeke gehef sal word.
Boek kan telefonies hernu word, Tel: 460 3226/8

24 NOV 2003	06 APR 2010
2006 -09- 21	
2007 -05- 17	
2007 -06- 01	
2007 -06- 02	
2007 -07- 01	
2008 -04- 19	
14 SEP 2009	
10 OCT 2009	
6 NOV 2009	

Donation.

A MANAGEMENT DEVELOPMENT PROGRAMME FOR THE LIFE ASSURANCE INDUSTRY

**RESEARCH REPORT IN PARTIAL COMPLETION OF
MASTERS DIPLOMA IN MANAGEMENT PRACTICE**

**AT THE
CAPE TECHNIKON**

By : C.G. Bristow

PROJECT LEADER:

Prof. A.D. Slabbert - Associate Director
- Cape Technikon
- BA(HONS) MA DPHIL

The financial assistance of the Centre for Science Development (HSRC, South Africa) towards this research is hereby acknowledged. Opinions expressed and conclusions arrived at, are those of the author and are not necessarily to be attributed to the Centre for Science Development.

CONFIDENTIALITY OF THE STUDY

All aspects of this study are strictly confidential and are not to be used for any other purpose than that of the research project without the prior authorisation of the author and the Cape Technikon.

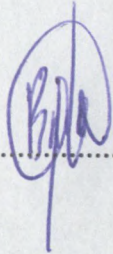
DECLARATION

I Craig Gregory Bristow (ID No. 680505 5612 085) hereby declare that this document is totally original and entirely my own work.

That it, nor any piece of it, has ever been published before.

That due credit has been given to those who's work I have referred to in compiling this document.

That the opinions contained herein are my own and not necessarily those of the Cape Technikon or the Centre for Science Development (HRSC, South Africa.).

Signed  this day 11/12/96 at Bellville

ACKNOWLEDGEMENTS

As we have so many influences and mentors in life it is difficult to single out any one or group to whom I am the most indebted. I would therefore like to thank all those who have brought me to this point.

It is possibly the most recent who remain prevalent.

In this regard I would like to thank the Cape Technikon which has afforded me this chance to continue my education and especially Professor André Slabbert, my research report co-ordinator, for his guidance.

Secondly I would like to thank Mr. Jan van den Berg of Sanlam, who inspired me to do this project.

Thanks must also go to the Centre for Science Development (HSRC, South Africa) for their financial assistance towards this research.

I would also like to thank my wife, Charmaine, for her quiet and constant support.

Finally I would like to thank the Lord God, whom without, I am nothing.

DEDICATION

I would like to dedicate this work to all those who aspire.

To all those who amidst negative attitudes and lack of faith in their abilities by others, still cling to their ambitions and never lose sight of their dreams.

TABLE OF CONTENTS**PAGE**

Covering page	i
Confidentiality of study	ii
Declaration	iii
Acknowledgements	iv
Dedication	v
Table of contents	vi - xi
List of diagrams	xii
Sinopse in Afrikaans	xiii
Synopsis in English	xiv
Note to the reader	xv
1. INTRODUCTION	
1.1 General	2
1.2 Rationale	3
1.3 Necessity	4 - 5
1.4 Special Considerations	5 - 6
1.5 Objectives	6
1.6 Modus Operandi	7 - 9
2. A FOCUS ON MANAGEMENT	
2.1 Outline of chapter	11 - 14
Part I	
2.2 A basic understanding of Management	

2.2.1	General	16
2.2.2	Resources	16 - 19
2.2.3	The Management process	19 - 23
2.2.4	Management performance	23 - 26
2.2.5	Summary	26

Part II

2.3 An understanding of Leadership Development

2.3.1	General	28 - 29
2.3.2	A historical view	29 - 40
2.3.3	Modern Leadership Development	40 - 51
2.3.4	The accomplishment of Leadership Development	51 - 52
2.3.5	The requirements of Leadership Development	53 - 54
2.3.6	Summary	54

Part III

2.4 An understanding of Management Development

2.4.1	General	56
2.4.2	Management Development defined	56 - 59
2.4.3	The essence of Management Development	59 - 70
2.4.4	Management Development perceptions	70 - 72
2.4.5	The accomplishment of Management Development	72 - 75
2.4.6	Leadership vs Management Development	76 - 78
2.4.7	Approaches to Management Development	79 - 85
2.4.8	Requirements of a Management Development Programme	85 - 103

2.4.9	A broader view of Management Development Programmes	103 - 106
2.4.10	Summary	106
3.	RESEARCH OBJECTIVES	
3.1	Outline of chapter	108
3.2	Specific objectives	109
3.3	Rationale	109 - 111
4.	FOCAL POINTS OF RESEARCH	
4.1	Outline of chapter	113
Step 1	Literature reviews	114 - 116
Step II	Management Development within the Life Assurance Industry	116 - 117
Step III	Developing the Management Development Model	117 - 118
Step IV	Developing the Management Development Programme	118
5.	OBSERVATIONS OF MANAGEMENT DEVELOPMENT AND THE APPLICATION OF THEORY	
5.1	Outline of Chapter	
	Part 1	
5.2	The impact of Management Development on the Life Assurance	
5.2.1	General	124 - 125
5.2.2	Target Group	125 - 127
5.2.3	The advantages of Management Development to the Life Assurance Industry	127 - 130
5.2.4	The responsibility of the Management Development Programme	130 - 132
6.2.5	The relevance of the suggested Management Development process on other industries	132 - 133

Part II

5.3 Observation of Management Development within the Life Assurance Industry

- | | | |
|-------|--|-----------|
| 5.3.1 | Organisational units responsible for Management Development within the Life Assurance Industry | 135 - 141 |
| 5.3.2 | Management Development needs for the Life Assurance Industry | 141 - 151 |

Part III

5.4 The Management Development Model

- | | | |
|--------|--|-----------|
| 5.4.1 | General | 153 |
| 5.4.2 | The identification of Management Development needs | 153 - 155 |
| 5.4.3 | Setting of development objectives | 155 - 159 |
| 5.4.4 | The identification of the appropriate development action | 159 - 161 |
| 5.4.5 | Drafting development programmes | 161 - 162 |
| 5.4.6 | Implementation of development programmes | 162 - 163 |
| 5.4.7 | Evaluation and feedback of development | 163 - 166 |
| 5.4.8 | Transfer | 166 - 167 |
| 5.4.9 | Debriefing | 167 |
| 5.4.10 | Setting application objectives | 168 |
| 5.4.11 | Drawing up of application plans | 168 - 169 |
| 5.4.12 | Application | 169 |
| 5.4.13 | Continuous evaluation and feedback | 169 - 171 |
| 5.4.14 | Summary | 171 |

6. RESULTS : THE MANAGEMENT DEVELOPMENT PROGRAMME - AN ILLUSTRATION

- | | | |
|-----|------------------------|-----------|
| 6.1 | Outline of the Chapter | 173 - 175 |
|-----|------------------------|-----------|

Part I

6.2 The Management Development Programme : User Manual

6.2.1	Introduction	178
6.2.2	Step I - General	178 - 179
6.2.3	Step II - The identification of Management Development needs	179 - 181
6.2.4	Step III - Setting development objectives	181
6.2.5	Step IV - Identification of the appropriate development action	181 - 182
6.2.6	Step V - Drafting of development programmes	182 - 183
6.2.7	Step VI - Implementation	183
6.2.8	Step VII - Formal evaluation and feedback on Development	183 - 185
6.2.9	Step VIII - Transfer	185
6.2.10	Step IV - Debriefing	185 - 186
6.2.11	Step X - Application objectives	186
6.2.12	Step XI - Application plans	186 - 187
6.2.13	Step XII - Application	188
6.2.14	Step XIII - Continuous evaluation and feedback	188 - 189

Part II

6.3 The Management Development Programme : Note Book

6.3.1	General	191
6.3.2	Step I - Introduction	191
5.3.3	Step II - The identification of Management Development needs	191 - 192
6.3.4	Step III - Setting development objectives	192 - 194

6.3.5	Step IV - Identification of the appropriate Development action	194 - 195
6.3.6	Step V - Drafting Development Programmes	196
6.3.7	Step VI - Implementation	197
6.3.8	Step VII - Evaluation and feedback on Development	198
6.3.9	Step VIII - Transfer	199
6.3.10	Step IX - Debriefing	201
6.3.11	Step X - Application objectives	202
6.3.12	Step XI - Application plans	203
6.3.13	Step XII - Application	204
6.3.14	Step XIII - Continuous evaluation and feedback	205
7.	CONCLUSION	208 - 209
	BIBLIOGRAPHY	211 - 224

LIST OF DIAGRAMS

FIGURE	TITLE	PAGE
1.	Information framework for Management Development	142
2.	The origins of Management Development needs in the Life Assurance Industry	143
3.	A Management Development Model for the Life Assurance Industry	154

SINOPSE IN AFRIKAANS

Mense in beheer van besighede beskou die ontwikkeling van hul werknemers as 'n belangrike praktyk in die toekoms (Kimmerling, 1993). Bestuurders word gemaak. Hulle word stelselmatig deur formele en informele metodes ontwikkel (Thamhain, 1992). Bestuursontwikkelings-programme verteenwoordig 'n wyse van ontwikkeling.

In die Lewensversekeringsbedryf is daar duisende bestuurders. Die ontwikkeling van hierdie bestuurders is en sal in die toekoms 'n gegewe wees.

Alhoewel die verskillende Lewensversekeraars van mekaar verskil, is daar nog steeds sekere generiese Bestuursontwikkelings elemente en praktyke gemeen in die bedryf. Dit wil dus voorkom asof dit lewensvatbaar is om 'n enkele program op te stel waarvolgens lewensversekeraars hul bestuurders kan ontwikkel. Hierdie Bestuursontwikkelings-program moet egter buigsaam genoeg wees om die verskillende Lewensversekeraars se kulture en metodes te akkommodeer.

Die bestuursontwikkelings-program sal die toedeling van bates vir ontwikkeling meer effektief laat geskied. Bestuurders sal ook ontwikkelings tekortkominge kan identifiseer en volgens 'n gestruktureerde metode bevredig. Die resultaat hiervan is beter opgeleide en gemotiveerde bestuurders. Sulke bestuurders is wat die organisasie 'n mededingende voordeel in die mark gee.

SYNOPSIS IN ENGLISH

People who run businesses regard Management Development as an important future practice (Kimmerling, 1993). Managers are created. They are systematically developed through formal and informal methods (Thamhain, 1992).

Management Development Programmes represent a means by which this development can occur. There are thousands of managers in the Life Assurance Industry, the development of which can be accepted as given in the future.

Even though Life Assurers differ from one another, there are still certain generic Management Development practices and elements common throughout the industry. It would therefore appear to be viable to develop a single Management Development Programme by which Life Assurers can develop their managers.

This Management Development Programme should however be flexible enough to accommodate the different Life Assurers' cultures and methods.

The management Development Programme will assist in the more effective application of resources. Managers will also be able to identify and satisfy development needs according to a structured method. The result being, better trained and motivated managers. It is these type of managers which give the organisation a competitive edge in the market place.

NOTE TO THE READER

For the purpose of this study where reference has been made to gender it shall imply both sexes.

CHAPTER 1

INTRODUCTION

1. INTRODUCTION

1.1 GENERAL

Gerber et al (1987) pose the following question: *"why, then, are managers so important to an enterprise (p.207)?"* Their answer is straight forward: *"It is because managers are responsible for the planning, organising and controlling of most of the enterprise's activities (p.207)."*

They therefore deem it to be essential that managers themselves possess the appropriate knowledge, skills and attitudes to accomplish this task and site Management Development as the means by which to impart such knowledge, skills and attitudes.

Life Assurers are by nature large organisations. They employ thousands of employees. These employees interact with and sustain many complex systems. The systems represent directly (generally attributed to line functions) or indirectly (mostly staff functions) the methods by which Life Assurers reach their goals. It is therefore important that the managers who manage these employees and systems, possess the required skills to ensure organisational goal attainment.

Goal attainment is directly dependent on the employees' abilities to satisfy these goals (Gerber et al, 1987). Such abilities can, in most instances, be developed (Charlton, 1992).

The development required may either be from a state of no development to an optimal state or the sustaining of current levels of development to keep the organisation up to date with new trends (Gerber et al, 1987).

1.2 RATIONALE

Although all employees within the Life Assurance Industry require development at some or other time it appears critical to develop those of the highest responsibility (and therefore greatest effect on goal attainment) first. The individuals who are typically entrusted with such responsibility generally occupy management positions.

All companies within the Life Assurance Industry develop their managers according to their own specific Management Development needs. Some follow highly structured programmes while others are less formalised.

Even though the organisations act independently and the content of the development actions may differ from one organisation to the next, many of the individual methods and processes adopted are common throughout the industry. More importantly the nature of the needs being addressed appears to be generic. It would therefore appear to be viable to build on the experience of the Life Assurance Industry and to combine the generic Management Development methods to formulate a single Management Development Programme applicable to the entire Life Assurance Industry.

The expectation of such a generic Management Development Programme is that the synergistic approach to drawing up the programme will result in a better product than if the individual organisations were to develop their own programmes. The generic nature refers to the methods used to identify Management Development needs and to impart development and does not imply that only generic needs will be satisfied. It also does not imply that development will occur regardless of whether or not there is a need for the development.

1.3 NECESSITY

Competition amongst local Life Assurers today is extremely fierce. The difference between surviving and not surviving can no longer be attributed to major differences between competitors. On an international scale (that is with the opening up of South Africa's economy to international markets) local Life Assurers are going to have to face up to competitors with infra structures, assets and products many times greater than what they are accustomed to.

Competitors aside, the rate at which technology is developing is enough to put any Life Assurer out of business should it not keep up with such developments. A manager's tertiary education no longer marks the completion of his development (Hedrick, 1990). Senge (1990) sums it all up in his statement that it is the organisation's ability to learn which will determine its survival. That is why so many companies are spending more and more to develop new and existing managers (Hedrick, 1990).

Furthermore (keeping in mind the latest trends to ensure equality in the workplace), the need for a structured and formalised process which does not discriminate, by which to develop managers and which still protects the organisation in so far as it ensures attainment of the organisation's goals, has become increasingly important. Managers were in the past expected to learn their skills from their superiors (Linowes and Dixon, 1992). This is no longer adequate.

Organisations therefore require a method by which to effectively develop employees to an optimal level, without demotivating them, for the ultimate

attainment of the organisation's goals. A Management Development Programme can provide such a process (Gerber et al, 1987).

Finally organisations are not only ranked by the profits which they make. Clearly the satisfaction of customers and employees is also very important (Thomas, 1988). The quality of the organisation's management has a direct influence on the satisfaction of customers and employees and on many other areas in which the organisation may have a social responsibility.

1.4 SPECIAL CONSIDERATIONS

Management Development is however extremely diverse and includes as it suggests, any action which develops managers (Litterer, 1978). Examples of such actions may be : General in-house training, specific external training, planned assignments, on the job coaching, etc...

This development costs both time and money. The cost of an unsuccessful Management Development Programme can therefore not be ignored (Hedrick, 1990).

Another consideration is the fact that there are two types of managers within the Life Assurance Industry, namely: managers with subordinates and specialist managers without subordinates.

Sub-ordinate-type managers have both technical responsibilities (that is for the particular function in which they manage, for example the operating goals of a policy administration department) and responsibilities toward the staff that they supervise (examples may be their performance appraisal and career advancement).

Specialist-type managers only have technical responsibilities. Personnel of the particular Life Assurer typically consult them on their specialist area (for example: tax, law, computer systems, etc...). Social-type skills are only secondary to their main function.

The abovementioned responsibilities (of the two types of managers) point toward specific development needs.

1.5 OBJECTIVES

The objectives of this particular research report were as follows:

- 1.5.1 To investigate the phenomenon of Management and Leadership Development.
- 1.5.2 To determine which organisational units and functions within Life Assurance Companies are responsible for Management Development.
- 1.5.3 To determine what the Management Development needs of the Life Assurance Industry are.
- 1.5.4 To develop a Management Development model for the Life Assurance Industry.
- 1.5.5 To compile a Management Development Programme for the Life Assurance Industry.

1.6 MODUS OPERANDI

The research can be divided into three distinctive sections.

The first section focuses on specific issues relating to Management Development and associated topics. This section can, in turn, be divided into three parts.

Before being able to consider what Management Development is, it is necessary to know what it is that is to be developed. Part I therefore takes a closer look at what established literature stipulates about the phenomenon of Management.

Part II focuses on the most recent theories on Leadership Development. In the last five years the most significant advances have been made with regard to Leadership Development. Leadership Development was found not to limit itself to those in management positions. The impact thereof on Management Development was therefore also considered.

Part III brings together all the theoretical ideals to be considered when developing individuals in management positions. All actions which develop managers in the Life Assurance Industry, irrespective of the technical nature of the manager's job, have been included in the research report. Special attention was given to (as far as possible) bring the theory in line with actual practices within the Life Assurance Industry.

The second section of the research considers current Management Development practices as opposed to theoretical ideals.

The first consideration was the impact of Management Development on the Life Assurance Industry. Factors such as the advantages of Management Development to the Life Assurance Industry, the responsibility for the

Management Development Programme and the relevance of the suggested Management Development process on other industries were discussed.

Thereafter an observational study of Management Development within the Life Assurance Industry was completed. This study considered all actions which develop managers within the Life Assurance Industry, irrespective of the technical nature of the managers' jobs.

Personnel who are included in this study are office personnel in the Life Assurance Industry who occupy positions (as defined by their own individual organisations' job grading systems) immediately under a first line management position (to allow for possible promotion) up to and including general managers. Pickard (1992) talks about staff who aspire to be managers also being included in the Management Development Programme.

Other than developing the individual managers, the organisational units responsible for Management Development were also analysed. The abovementioned considerations were put together into a diagram to demonstrate the origins of the Life Assurance Industry's Management Development needs. The Management Development needs were discussed at some length.

The final section of the research proposes (out of the observations of Management Development with the Life Assurance Industry and the lessons learnt from established theory) a Management Development model for the Life Assurance Industry. The model is presented in diagrammatic form and discussed in detail. The suggested Management Development model, was the basis for developing the Management Development Programme that follows.

The Management Development Programme represents the end result of the research. It contains a set of logical instructions to guide candidates (that is the managers undergoing the development) and their sponsors (that is their superiors) through the development process.

CHAPTER 2

A FOCUS ON MANAGEMENT

2. A FOCUS ON MANAGEMENT PAGE

2.1 OUTLINE OF CHAPTER

PART I

A basic understanding of Management

- General	16
- Resources	16-19
• Financial	16-17
• Human	17
• Machines	17-18
• Material	18
• Information	18-19
• Summary	19
- The Management process	19-23
• Planning	19-20
• Organising	20-21
• Leading (directing)	21-22
• Controlling	22-23

- Management performance 23-26
- Summary 26

PART II

An understanding of Leadership Development

- General 28-29
- A historical view 29-40
- Modern Leadership Development 40-51
 - General 40-41
 - Styles 41-44
 - Leadership defines 44-51
 - The accomplishment of Leadership Development 51-52
- The requirements of Leadership Development 53-54
- Summary 54

PART III

An understanding of Management Development

- General 56
- Management Development defined 56-59
- The essence of Management Development 59-70

• A process	59-63
• Within the organisation	63-64
• Improving managers	64-66
• Efficiency	66-67
• Time frame	67-68
• Organisational goals	68-70
• Summary	70
- Management Development perceptions	70-72
- The accomplishment of Management Development	72-75
- Leadership vs Management Development	76-78
• General	76-77
• Specific differences	77-78
- Approaches to management Development	79-85
• Management Development needs	79-82
• Contingency approach	82-84
• Competency approach	84-85
- Requirements of a Management Development Programme	85-103
• Alignment	85-89

• Cost efficiency	89-92
• Commitment	92-103
- A broader view of Management Development Programmes	103-106
- Summary	106

A FOCUS ON MANAGEMENT

PART I

A BASIC UNDERSTANDING OF MANAGEMENT

PART I

2.2 A BASIC UNDERSTANDING OF MANAGEMENT

2.2.1 General

In order to better understand what Management Development entails, it is necessary to outline the essence of Management. After all it is this very essence that is the focal point of Management Development Programmes.

Stoner and Freeman (1989) see Management as the process through which the organisation's objectives are attained. This process involves the planning, organising, leading and controlling of all the organisation's resources.

Management is therefore a process - an execution of activities over time so as to accomplish an end goal.

An examination of the elements of this process warrants attention.

2.2.2 Resources

These are the means through which the Management process are accomplished.

The resources which are available in the Life Assurance Industry are:

(a) Financial Resources

Life Assurers have direct access to large sums of money (daily cash flows of millions of rands) with which to fulfil their obligations.

The very nature of Assurance is financial risk management at a

cost. These companies are able to finance large projects and have steadily increasing incomes. Life Assurers have by comparison to other industries, substantial investments. Their relative financial strength (as seen in their financial records and credit histories) should ensure minimal problems in obtaining finance. Financial resources therefore represent a substantial part of the Life Assurers' business and the correct application (management) of these resources is therefore vital to their long term survival.

(b) Human resources

Assurance appears to be (that is looking solely at staff numbers) a labour intensive industry. Large numbers of staff are required to conduct the administration of the business and to access clients. According to a representative of one particular Life Assurer, the organisation has in excess of 13 000 field and office staff members nationally.

As human resources form such a vital part of the Life Assurance Industry, the motivation and loyalty of these personnel are very important. It goes without saying that the management of staff within the Life Assurance Industry should be on a high standard to enable Life Assurers to lead and control their personnel effectively. In the same light, structures which support these human resources, need to be very efficient.

(c) Machines

Organisations in the Life Assurance Industry make, by comparison to manufacturing organisations, very little use of production type

machinery. Departments do however exist within organisations in the Life Assurance Industry, for example In-house Printing and Maintenance departments, which rely on machinery, but these machines are secondary to these Life Assurers' main business. Computer hardware however represents a substantial part of the Life Assurance Industries' operations. The contribution made by computer hardware lies not so much in its ability to produce a tangible product, as it does in its ability to provide and process another very important resource, namely: information. This resource will be discussed under point (e).

(d) Material resources

Life Assurers are service providers and not in the business of manufacturing tangible goods. They therefore require comparatively few materials. The paper budget of one of the Life Assurers at head office alone (therefore excluding the regions) was, according to a representative of that organisation, R2,5m per year. This is possibly higher than most small to medium size manufacturing businesses' total budgets, but negligible in proportion to that particular Life Assurer's total business.

(e) Informational resources

Without information the Life Assurance Industry would not be able to function. The Life Assurance Industry is totally dependant on the latest trends in financial markets, client history, etc... This dependence on information creates logistical problems such as processing and access needs and storage and disaster recovery

capabilities for such information. For this reason Life Assurers have invested in some of the most advanced computer hardware and software systems available.

(f) Summary

In summary it may be said that the most important resources of the Life Assurance Industry are financial, human and informational in nature. The sheer size of these resources exerts additional pressure on the management of organisations in the Life Assurance Industry to function adequately.

2.2.3 The Management Process

Here we consider how the Management process is accomplished and what it is that managers do. Managers must carry out certain functions in order to perform effectively (Gray and Starke, 1984). The elements (as highlighted earlier) of this management process as seen in the context of the Life Assurance Industry are:

(a) Planning

The plans of an organisation represent what the organisation wishes to accomplish. Here the manager is required to consider the future activities of the organisation (Gray and Starke, 1984). These are the actions which once successfully carried out will result in the achievement of the organisation's objectives. These plans are carried out by the members of the organisation and may, during their execution, serve as the basis for a comparative control to ensure that actual performance was in line with what was planned.

The Life Assurance Industry makes use of many different types of plans. Operational plans, financial budgets, strategic plans, succession plans, career plans, human resources budgets, etc... These plans cover differing time scales : short term, medium term and long range. A manager will select a particular type of plan to suit the specific requirements. A plan is therefore a particular method by which to achieve a desired state.

(b) Organising

This is the process of gathering and arranging the organisation's resources to compliment the organisation's plans so as to accomplish the organisation's goals. The manager must authorise activities (including those through delegation) and organise work effectively (Gray and Starke, 1984). The structuring/organising of the Life Assurance Industry's vital resources can be accomplished through varying forms. The Human Resource function at one particular Life Assurance Organisation was, for example, arranged functionally in departments. Another large Life Assurer decentralised all its functional units. Within both organisations communication and management levels (hierarchies) were set up in response to these structures. Staff were recruited and trained to fill vacancies.

The first organisation arranged its financial resources (investments) in a matrix form, in portfolios according to the type of business (individual policies, pension funds, unit trusts, etc...) and according to the nature of the resource (equities, cash, property, etc...). For example clients in the Group Benefits

business sector were arranged into investment portfolios according to the specific rate of return and risk of their portfolio. The actual investments however occur according to the nature of the resources for example: property, industrial equities, cash, etc...

Informational resources in this organisation were typically arranged according to type and user (matrix form). Most of the information is arranged functionally but can be accessed by different functional users (therefore matrix form). For example: information with regard to the return on investments are arranged per investment, but accessed by both the Investment department (functionally) and by Group Benefits Pension Funds Managers (user.)

(c) Leading (directing)

This is the part of the Management process which involves the motivating and directing of the members of the organisation to move collectively toward achieving the organisation's objectives. The manager must consider the impact of his social/human behaviour on his subordinate's performance (Gray and Starke, 1984). This is an on-going concept and almost an inseparable part of the daily operations. As difficult as it may be to distinguish leadership from the daily activities, major organisations within the Life Assurance Industry have, with the advent of the latest leadership theories made a concerted effort to apply such theories. Two Life Assurers recommend Senge's 1990 work as important management literature. One of these Life Assurers has a

Situational Leadership training course. Leadership will be discussed in greater detail under part II of the study.

(d) Controlling

Here the manager must insure that plans are executed as intended (Gray and Starke, 1984).

This is an on-going activity which begins with the establishment of standards. These standards are set during the planning stage. Once performance has occurred the actual performance is measured and compared to that which was planned. This is done to detect deviations.

Finally action must be taken to correct performance which did not meet the original standards (Stoner and Freeman, 1989). Detective (such as budgets which identify deviations), preventative (such as computer edit tests or quality control) and corrective mechanisms may all be seen as part of the process of the controlling activity. Organisations therefore, are unable to correct or prevent deviations without such mechanisms. Controlling gives feedback throughout the managerial process and helps to ensure that the organisation's objectives are met (Stoner and Freeman 1989).

Many different types of controls exist within the Life Assurance Industry. These may range from simplistic managerial meetings to complex controls such as whole departments whose sole purpose it may be to keep managers informed of possible deviations. Examples of such departments within the Life

Assurance Industry may be the Internal Audit function, Work Study Groups and Organisational Development Departments.

2.2.4 Management Performance

Ultimately it is the degree of efficiency and effectiveness with which the organisational objectives are attained that is of concern to us. This may in turn be a measure of how well the Management process functions. If the organisation does not achieve its objectives it can be said that its Management performance was not adequate.

The inevitable question therefore is : What do managers require to function effectively? Factors that immediately come under consideration are:

- The availability of resources
- The individual manager's motivation and loyalties.
- The clarity with which objectives were communicated. This points to both the structure of the organisation (informational hierarchies) and communication mediums which were used.
- The abilities (knowledge, skills and experience) of managers, indicating their level of development. It may be argued that if the Management of an organisation (seen as the sum of its individual members) could reach an optimal level of development (a theoretical state only), then there would be no internal management problems (external problems for example natural disasters, demographic and social issues are beyond management's control).

The point of such an idealistic argument is that a lot can be prevented/achieved through the continual personal (by continued development) of this state.

Levels of development may be measured by skills possessed by individuals and are reflected in the effective attainment of organisational objectives. What are the skills required by managers? Cosier and Dalton (1993) view management skills as being generic and applicable to a number of organisational environments. Environments may for example be differentiated purely by function.

According to Hughs and Kapoor (1985) managers, depending on their function, require differing skills and use these skills to varying degrees according to their level in the organisation. These skills include: technical, conceptual, interpersonal, diagnostic and analytical skills. Top management would use more and therefore require better conceptual skills than interpersonal skills.

Stoner and Freeman (1989) use Mintzberg's theory to describe different managerial roles (that is instead of functions). These roles reflect particular skills which are required. Here the different roles that a manager performs in his day to day activities are considered instead of the functions carried out (Gray and Starke, 1984). The roles can be listed as follows:

A Interpersonal Roles

- (i) Figurehead - a ceremonial head, carrying out official duties, such as representing the organisation at functions.

- (ii) **Leader** - this involves all aspects of leadership as discussed in part II of the study.
- (iii) **Liaison** - that is with people outside the organisation as well as people within the organisation other than subordinates and superiors.

B Informational Roles

- (i) **Monitor** - achieved by continually collecting information by networking with the correct informants.
- (ii) **Disseminator** - the allocation of information to subordinates according to need.
- (iii) **Spokesperson** - by providing information to people outside the manager's organisational unit.

C Decisional Roles

- (i) **Entrepreneur** - by continually striving to improve the organisational unit.
- (ii) **Disturbance handler** - by handling all types of conflict and problems beyond their control, for example industrial actions.
- (iii) **Resource allocator** - therefore deciding which resources will be given to whom and when this allocation should occur.
- (iv) **Negotiator** - between the organisation and clients, suppliers, etc...

In terms of the Life Assurance Industry it is important to let managers understand that they, in the execution of their duties, perform different roles and that while they perform these roles they use different skills. Managers can benefit from an understanding of the process with which they are involved, by being aware of the differing demands placed on them, ultimately assisting them in knowing how to respond to their daily operations.

2.2.5 Summary

Management is a process which, through the execution of certain activities and the application of resources, will result in the attainment of organisational objectives.

The successful attainment of such objectives points to the effectiveness of the managerial performance. Managerial performance is, amongst other things, dependent on the level of development of managers. The level of development of managers is demonstrated by the skills possessed by managers.

Managers may, depending on their function, be required to assume different roles. These roles require particular skills. Such skills can be effectively improved through a Management Development Programme.

A FOCUS ON MANAGEMENT

PART II

AN UNDERSTANDING OF LEADERSHIP DEVELOPMENT

PART II

2.3 AN UNDERSTANDING OF LEADERSHIP DEVELOPMENT

2.3.1 General

Leadership is an area which has fascinated people from the earliest of time and has enjoyed considerable attention the last few years. Peoples' observations lead them to believe that group success is directly proportionate to effective leadership. It has been the persual of this intangible "effective" leadership which has brought leadership theory where it is today. This search for the secret to effective leadership has resulted in masses of theory being generated (Gray and Starke, 1984).

Senge (1990) says that theory has not succeeded in clearly defining "leadership" and that it is confusing because of contradictions which exist. Leadership theories which have evolved, range from simple to complex models.

Research concentrates mainly on styles and traits with relatively few studies on what leaders actually do (Gray and Starke 1984). Theory also assumes that leaders have only a few decisions to make and plenty of time within which to make them. Senge (1990) says however, that in reality, leaders spend most of their time putting out fires.

Mc Call (1992) believes that leadership theory tends to focus on end states. He suggests that Leadership Development should rather focus on the abilities which would, through development, obtain these end states.

His belief is that leadership qualities exist in everyone and are waiting to be developed.

2.3.2 A Historical view

A The universalist theories

(a) Great Man Theory

Early Leadership theorists believed that people who possessed leadership qualities such as vision and competence would rise to prominent positions and change history. Furthermore they believed that such people seemed to be restricted to certain families. They believe that this was probably due to particular genes. This is more commonly known as the Great Man Theory. Examples of such "great men" were : Napoleon and Caesar .

The down fall of this theory is firstly that it suggests promoting only relatives of previous leaders. Secondly it is not possible for organisations to select only born leaders. Thirdly this theory does not support the current belief that non leaders should be developed. Lastly, according to this theory, it seems no purpose to design jobs to suit leaders as a born leader should be able to adjust to situational changes.

The use of this theory is limited as even though many great political and military leaders have had an impact on history, it does not consider how to develop such great leaders (Gray and Starke, 1984).

(b) Trait Theory

The great man theory was rewritten and replaced by the Trait Theory. This theory focused on the personality traits possessed by successful leaders. These traits were not limited to those born to leaders only. According to Gray and Starke (1984), these studies listed the qualities portrayed by leaders and assumed that it was these traits which ensured effective leadership.

The basis of this theory was that if these traits could be listed then people could be analysed to identify which traits they did not possess and they could be developed. The only problem was that many people who were not leaders also possessed some or all of these traits and some leaders only possessed a few traits. Also, both physical and psychological attributes were defined as traits. Physical traits can be easily observed but psychological traits can only be demonstrated in behaviour. These traits cover only positive traits but ignore negative traits possessed by leaders. Furthermore little consensus can be reached as to the terminology that should be used to describe the traits. Not only are some of these traits (for example emotional resilience) difficult to measure, but researchers are also unsure as to the level of the particular calibration which would constitute effectiveness. Should the person, for example, score 70% or 80% on a particular scale? (Gray and Starke, 1984).

A leader's natural behaviour is also often influenced by social bias as to what acceptable behaviour is.

The focus of the trait theory may also be wrong. It should actually be on the followers as they are the ones who follow what they perceive to be leadership traits (Gray and Starke, 1984).

Finally this theory ignores any possible impact which the environment may have on the effectiveness of the leader. Gray and Starke (1984) continue to state that although the idea, that it is personality traits which distinguish leaders and non-leaders, cannot be dismissed completely, it can definitely not be relied upon.

(c) Leadership Behaviour Theory

The next school of thought spearheaded by research completed by the Ohio State and the Michigan Universities, identified two leadership behaviours as being important. They believed that these behaviours were independent and the behaviour demonstrated by a leader with regard to the one had no effect on the other.

Initiating structure is the behaviour which the leader exhibits when defining and structuring subordinate's tasks. Consideration is the behaviour which the leader exhibits when he develops mutual trust and considers subordinate's ideas and feelings.

It is unclear if it is possible for a leader to be both task and employee orientated. It is recognised that this is difficult to achieve in practice. The research which was completed has been criticised as failing to prove the importance of the behaviours with respect to productivity. The research also was not successful in aligning the

leaders' and subordinates' perceptions of effective leadership behaviour. Finally the effect of the environment on these behaviours was not considered (Gray and Starke, 1984).

(d) The Managerial Grid

This theory, as designed by Blake and Mouton, identified two important leadership behaviours (as did the Ohio State and Michigan Universities). These behaviours were concern for subordinates and concern for production.

They assumed that these behaviours were independent of each other and that it was possible to simultaneously have different concerns for people and production. It was this assumption which led them to believe that there were five possible leadership styles.

Blake and Mouton wanted managers to evaluate their current style and to pursue the most desirable style according to which a manager has high concern for both people and production. The idea that there was one best way to manage was criticised as this assumption ignored the demands that different situations have on a manager's style (Gray and Starke, 1984).

(e) Theory X and Theory Y

Mc Gregor's Theory X and Theory Y Management Approach also suggested the best way to manage, with leaders falling into one of two general categories. The way in which managers viewed employees was the deciding factor. There is a strong correlation between the undesirable Theory X behaviour and an autocratic/

task orientated managerial style. This correlation can also be viewed between the favoured Theory Y and a subordinate orientated style.

It was suggested that it is the leader's behaviour which determines the subordinate's behaviour. This is held as the only contribution of this theory. The fact that Theory Y type leadership was preferable, received much criticism (Gray and Starke, 1984).

(f) System 4

Likert's System 4 Management was based on the assumption that organisational effectiveness and worker satisfaction are improved if workers are involved in a participative manner.

System 1 is where management has low confidence in employees with decisions being centralised. Motivation is limited to fear of punishment. System 2 has the confidence of a master-servant relationship. Decisions are mostly centralised with some rewards as incentives. System 3 has almost complete confidence with top management making policy decisions and subordinates making specific decisions. System 4 is where management has complete confidence in subordinates with decisions being decentralised.

The most noted contribution of this theory is the emphasis on maximisation of human resources. System 1 is said to produce only short term increases in productivity while System 4, which is held as the ideal, is said to produce long term productivity. Likert is thus suggesting that a human-relations type style is preferable.

This is once again highly debatable as the impact of situational variables have been ignored (Gray and Starke, 1984).

(g) Summary - Universalists

This theory marked the end of the Universalists Approach to Leadership Theory : it stressed the importance of consideration for employees by leaders.

B The Contingency Leadership Theories

These theories move from one best style by which to lead to many different styles.

These theories identify the situational variables which influence leadership so that the most appropriate style of leadership can be selected.

(a) The Situational Leadership Theory

Hersey and Blanchard's model is based on consideration (relationship behaviour) and initiating structure (task behaviour) dimensions which were identified by the Ohio State and Michigan Universities under their Leadership Behaviour Theory.

Hersey and Blanchard's Situational Leadership Model, as described by Gray and Starke (1984), is based on the premise that there is a relationship between the interpersonal skills (support, encouragement, facilitating and two-way communication) that a leader demonstrates to his subordinates (referred to as Relationship Behaviour) and the direction that a leader provides to

his subordinates by the way the leader informs his subordinates of the task and its structure (referred to as Task Behaviour). These two behaviours can be plotted on a grid and four styles result from this combination of high and low behaviours. These are:

S1 High task, low relationship - Telling Style

S2 High task, high relationship - Selling Style

S3 Low task, high relationship - Participating Style

S4 Low task, low relationship - Delegating Style

Hersey and Blanchard suggest that the leader should adapt his style to suit the subordinates level of thinking and maturity so as to optimise the effectiveness of the leader's leadership effort.

In terms of this theory all employees are mature in one or other task.

The example given by Gray and Starke (1984), is that a saleslady may be mature in closing sales and therefore would require less supervision. She may however not be very diligent about completing her paperwork and would therefore require more supervision with regard to this task.

Hersey and Blanchard define four levels of maturity:

M1 unable and unwilling

M2 unable but willing

M3 able but unwilling

M4 able and willing

In order to ensure effective leadership the leader should match his style to suit the subordinates maturity level.

Gray and Starke (1984) list the following as the short comings of this theory: Firstly it assumes that all leaders will be able to evaluate their subordinates' maturity levels (ability and willingness) and that the subordinates will accept this judgement. It also assumes that leaders will be dynamic enough to make these shifts. More importantly, it assumes that the nature of the tasks will always be such that it will allow leaders to treat subordinates in different ways.

(b) The Leadership Decision - Making Model

Vroom and Yetton's Leadership Decision-Making model argues a Contingency Model of Leadership based on the assumption that a leader should adjust his style according to the degree of participation by subordinates. No participation would demand an autocratic style while a participative style may be more suited to allow greater freedom to subordinates. The advantage of this model is that it recognises the effectiveness of different styles in different situations, the disadvantage being that the model allows for a social desirability bias in so far as a manager may report that the style adopted was for example very participative because this is the latest Management movement. The model is also said to be

comparatively accurate, with an unavoidable trade off in so far as it is very complex (Gray and Starke, 1984).

(c) The Leadership Contingency Model

Fred Fiedler also proposed a Contingency Model of leadership based on the observed relationship between leadership style and three environmental or situational variables. These three variables are:

- (a) the interpersonal relations between a subordinate and his leader.
- (b) the task structure (the clarity with which task requirements are stated).
- (c) the leader's positional or legitimate power (due to his position in the organisational hierarchy).

These variables are in turn measured and divided into categories of high and low. The impact of these variables is now determined. In terms of this model a task orientated style is the most suited to situations highly favourable or highly unfavourable to a leader. Gray and Starke (1984) give the example of an aircraft captain who is in a favourable position of power. The captain gives commands as opposed to welcoming his crew's suggestions. Alternatively where the situation is of average favourableness to the leader, a participative style should be adopted.

The example given to illustrate this by Gray and Starke (1984) is of a leader of a volunteer group planning an annual outing. A human-relations style is most suited because the leader lacks power and uses the expertise of the group to plan the outing.

Fiedler also maintained that one cannot force people beyond their natural tendencies and that in a crisis situation people will always revert back to these tendencies. He held that one should therefore forget about changing the managers and rather attempt to fit the manager to the situation. His Leadership Match Programme was designed to teach leaders to modify their situation to suit their personality.

This perspective contrasts with previous Leadership Training Programmes which attempt to teach leaders to adapt their personality to fit the situation. Note the change from the individual to the situation in the previous approaches. Criticisms of the model range from inadequate research to unclear scales and meaning of variables. There is, according to them, also an absence of middle leader studies (leaders which are neither Task or Human-Relations type leaders) and the scoring of the different styles is not always decisive.

Although the research pioneered many previously unconsidered alternatives to leadership theory, it focused on performance and did not consider worker satisfaction. The model is unable to accommodate new findings.

Fiedler's model also does not cater for all situations, but must be recognised for its orientation that the situation plays a major role in effective leadership (Gray and Starke, 1984).

(d) The Path-Goal Model

House's Path - Goal Model, which is loosely based on the Expectancy Theory represents, according to Gray and Starke (1984), a definitive change in leadership theory. They say that the focus shifts to worker satisfaction and goal attainment - their assumption is that leaders' actions are related to worker satisfaction (from receiving rewards) and therefore also to worker performance. House regards it as the task of the leader to increase such rewards.

The Path-Goal Model states that the leader should clarify the "path" to goal attainment and act in a way which improves subordinate satisfaction. The leader's behaviour (in other words his degree of worker consideration and task structuring) will be determined by the task characteristics (higher or lower level job) and subordinate's characteristics (degree of directing desired).

For example a higher-level task may be more ambiguous and should generally be more structured to ensure subordinate satisfaction by reducing the subordinate's uncertainty.

This approach focuses on the effect specific behaviours have on worker goal attainment and satisfaction. It also holds situational variables as important. Despite the new insights, research on this

model holds some conflicting views and is only helpful in gaining insights into satisfaction but not performance (Gray and Starke, 1984).

(e) Summary - Contingency theories

Effective leadership is dependant on the interaction of human and environmental variables in leadership situations.

2.3.3 Modern Leadership Development

(i) General

Mc Call (1992) says that most organisations do not have a large store of leadership skills to rely on and normally wait until a crisis arises before they react. This may result in lost opportunities due to a lack of leadership skills to exploit them. Modern leadership theorists, such as Charlton (1992) believe that leadership can be developed. He is of the opinion that if the organisation can find someone who has naturally stumbled upon how to be a leader then it will be fortunate. Otherwise the organisation has to find someone who is willing to be developed and develop him or alternatively convince the unwilling parties of the potential benefits of Leadership Development.

McCall (1992) emphasises that leadership theory requires identifying people who have the ability to learn leadership skills and not people who already possess the ability to use them. These

theorists' primary goal is transforming followers to leaders (also called the Transformational Leadership Approach).

It is interesting to note that modern Leadership Development theory does not limit itself to those who occupy formal leadership positions, that is positions in the organisational hierarchy. It views each organisational member as a potential leader and moves to decentralised empowered work groups (Charlton, 1992).

(ii) Styles

Gray and Starke (1984) distinguish between two components of style. The first concerns how the leader views his subordinates while the other concerns the leader's actual behaviour as demonstrated to his subordinates.

They say that a change in leadership style may be achieved by either changing the leader's attitude concerning his employees or by changing the leader's behaviour in the hope that this will bring about a change in the leader's attitudes at a later stage.

Gray and Starke (1984) recognise three different leadership styles:

(a) Autocratic style

It can be generally accepted that society is more developed today when compared to what it was a few years ago. It follows then that "followers", who are individual members of society, will be more developed. Society seems also to be

moving away from autocratic governing to more power and influence in the hands of the people.

Organisations, which are made up of individual members of society, therefore are also starting to reflect these general tendencies. Openness is in vogue, leaving autocratic and bureaucratic approaches somewhat passé.

So why then would an autocratic style still be used today?

Gray and Starke (1984) say that an autocratic leader believes that he should make all the decisions. This may be because the leader views the subordinates as being not competent or interested or because the task and environment may demand it.

An example of this may be in a military situation. In a life and death situation it is better that troops do not question their leader, the advantage being therefore that tasks are accomplished quickly and effectively. A further example is where the task is unstructured and ad hoc in nature: employees may feel safer if they are told exactly what to do.

The disadvantages of an autocratic style may be that subordinates often have low morale and avoid taking responsibility because they just follow orders - even if these are wrong (Gray and Starke, 1984).

(b) Participative style

This approach is very much concerned with the individual. Much is being done by modern theorists, in an attempt to gain insights on subordinates so as to understand how to best mobilise them in the required direction. Charlton (1992) expresses this in so far as he says that followers do not regard leaders, who do not understand them, as being credible. It is therefore a fundamental task of the leader to create an environment conducive to productive change. Once again the environment will reflect the developmental levels of the subordinates.

The leader delegates authority to subordinates based on their interest and competence (Gray and Starke, 1984), the advantage being that subordinates tend to be motivated and then participation allows for better decisions. The subordinates are therefore less resistant to change.

The disadvantages are that subordinates may not want to participate and want to be left alone. They will therefore be even more dissatisfied with the extra work which results from participation.

Time constraints and the leaders ability to be consultative may also limit the degree of perfection. Subordinates may also feel that they are being manipulated to perform in such a way as the manager requires (Gray and Starke, 1984).

(c) Laissez - faire style

Under this style the leader abdicates the leadership to someone in the work team. The leader may do this because he lacks self-confidence and fears failure or because the subordinates require greater self discretion (Gray and Starke, 1984).

(iii) Leadership Defined

Charlton (1992) defines leadership as: "*The competencies and processes required to enable and empower ordinary people to do extraordinary things in the face of adversity, and constantly turn in superior performance to the benefit of themselves and the organisation*" (p.33).

Gray and Starke (1984) see leadership as "*.... both a process and a property. The process of leadership is the use of non coercive influence to direct and co-ordinate the activities of the members of an organised group toward the accomplishment of group objectives. As a property leadership is the sort of qualities or characteristics attributed to these who are perceived to successfully employ such influence*" (p.233).

Important elements of this definition are:

- It is a process
- and a property with certain qualities and characteristics (perceived as necessary)

- uses non coercive influence
- it co-ordinates and directs
- it is concerned with the activities of organised groups
- its purpose is for the achievement of the group's goals.

Charlton (1992) maintains that an effective leader sees leadership as a learning process with five competencies. In terms of this theory an effective leader should possess the ability to:

- Empower others
- Manage meaning through communication
- Manage attention by creating vision
- Manage trust
- Manage oneself.

Leadership Development is therefore concerned with developing these competencies.

The execution of these competencies can be viewed in terms of Gray and Starke (1984) definition of leadership. This will be discussed in some detail in the piece that follows:

(a) A process

A process is a collection of sub-activities occurring in accordance to a pre-determined method.

One of the first activities in the process is to identify potential. The process, must have the necessary mechanisms to ensure that identified potential actually gets the opportunity to be developed (McCall, 1992). Organisational culture can provide a climate which supports opportunity utilisation. This may be reflected in other organisational processes and in the attitudes of line managers. Examples of the above mentioned mechanisms which support opportunity utilisation may be: succession plans, potential evaluation committees, etc... Another important ingredient to ensure that the mechanisms assist in opportunity exploitation is commitment from top management. Without their solidarity and enforcement, successful opportunity exploitation is unlikely.

There are many other mechanisms in the leadership process, which will ensure the effective execution of Charlton's previously mentioned competencies.

(b) A property

The qualities and characteristics possessed by effective leaders were evaluated in detail by the "Great Man" and "Trait Theorists" (Gray and Starke, 1984).

As noted before not much significance can be placed on these characteristics. Modern theorists do however consider some of these qualities to be important and maintain that leaders should be able to demonstrate different behaviours to be effective (Gray and Starke, 1984).

Possibly the most important property a leader should possess is the disciplined pursuit of his own personal mastery. Senge (1990) sees this as the continual focusing of leaders' energies and deepening of their own motivations and convictions, the logic being that one should first be able to manage oneself before one can manage others.

Charlton (1992) says that leaders should be competent individuals with knowledge of their own strengths and weaknesses. He maintains that if an ineffective leader does not make a fundamental shift in mind to a totally committed state the leader will not become an effective leader.

This is due to the leader's basic lack of intrinsic motivation to continue to improve himself. Productive levels of motivation are of course always subject to the correct alignment of the individual organisation's culture, selection process, appraisal and reward systems.

Effective leadership also requires developing patience and having an objective view on reality. Senge (1990) says that it is important to break the deep rooted paradigms if objectivity is the ultimate goal. These mental pictures influence the way in which leaders see the world and which cloud a leader's judgement. Senge (1990) furthermore advocates the practice of a discipline he calls "systems thinking". He provides a body of knowledge and a set of tools which help conceptualise a framework to highlight patterns and facilitate effective change. These tools basically structure information to facilitate better decision making. The effectiveness of a leader's decision is an important yardstick of the leader's effectiveness.

(c) Non coercive influence

Prior to the industrial revolution workers were ruled by fear. Fear does however not induce respect : It may mobilise but it certainly does not motivate. The effectiveness of a leader may in part be measured by the results obtained. Theorists do not dispute this, but have for some time now believed that there is a relationship

between the leader's style (as perceived by the followers) and the optimum level of results attained (measured in units of output and/or profit) (Gray and Starke, 1984).

As was shown in the historical view of Leadership Development, different situations may require different leadership styles. Not even autocracy can be said to demand force. Output optimisation will therefore be achieved when the leadership style selected (in response to the situation), influences the followers in a non coercive manner to perform in the desired manner.

In a complex organisation the influence is not only from the top down but also by the subordinates in an upward direction (Gray and Starke, 1984).

Charlton (1992) believes that the leader's credibility can be a determining factor in his ability to influence followers. He describes leaders low in credibility as being: insensitive, out of touch, arrogant and taking people for granted. He further says that leaders, in order to successfully influence their followers, need to create trust and should instil vision in their followers. Charlton (1992) also says that followers feel strongly attached (and therefore committed) to a leader when the leader empowers them.

The leader's credibility (a determining factor in his influence) is therefore firstly determined by his attitudes

towards his followers and secondly by his ability to instil vision. Thirdly a leader's credibility is increased when he shares power with (empowers) his followers. Empowerment involves giving personnel the required skills and authority to enable them to make decisions based on reflection to assist them in the execution of their duties. The style chosen by the leader is therefore not as important as his manner. The leader's credibility is manifested in the followers trust of him. Followers trust leaders who are consistently fair.

(d) Co-ordinating and directing activities

Charlton's (1992) work shows that co-ordinating and directing the work group's activities involves more than just the activities normally suggested in management theory (effective resource allocation). Charlton (1992) says that the challenge is to determine what the individual's needs are and then to proceed to design an environment in which the individual will be able to satisfy these needs. This environment will, by allowing people to perform, foster a willingness to perform.

Empowerment is about power sharing. Co-ordinating and directing therefore includes empowering work groups. Leaders in such an empowered environment take on more of a facilitating role. An idealistic state being, not only a situation in which subordinates report to management, but

where management also reports to subordinates. In our ever increasing complex environments, it is becoming more difficult for leaders to fulfil their duties on their own. The Life Assurance Industry has traditionally been an industry with centralised authority and tall structures. An industry wide move has begun with Life Assurers decentralising and empowering workers more and more.

(e) Achievement of goals

The purpose of leadership activities is the attainment of the group's goals. Part and parcel of the previously mentioned empowerment is the creation of accountability for goal attainment. Accountability implies only negative reinforcement. By empowering workers, they are given the power to make decisions, but more importantly they are held responsible/accountable for the effect of those decisions on goal attainment.

2.3.4 The accomplishment of Leadership Development

If Leadership Development is concerned with developing Charlton's five competencies then Leadership Development is accomplished through the processes which teach leaders these competencies. Conger (1992) specifies four approaches by which leadership skills can be imparted:

(i) The personal growth approach

This approach assumes that people have lost touch with their innermost selves and uses methods which assist the candidate in

reconnecting with his desires, values and sense of power. The idea is that one should first get to know oneself before one will be able to be an effective leader. Examples of the methods used are personal mastery exercises, peer and trainer feedback, empowerment and reflection. This approach focuses on the emotions and the psyche while the other three approaches are concerned with the mind and behavioural skills (Conger, 1992).

(ii) The conceptual approach

Under this approach lectures are used to develop understanding and learning is mainly cognitive (Conger, 1992).

(iii) The skill building approach

This approach attempts to teach those leadership skills which can be taught (Conger, 1992).

(iv) The feedback approach

This approach departs from the basic assumption that everyone possesses a certain amount of leadership skills. The programme attempts to let one become more aware of one's strengths and weaknesses through feedback obtained from subordinates, colleagues and the trainer. An example of a method used is simulation (Conger, 1992).

Conger (1992) says that in reality most Leadership Development Programmes combine all four approaches but concentrate on one only.

2.3.5 The requirements of Leadership Development

Charlton (1992) says that many of the skills which people perceive leaders to possess are, per definition, impossible to teach. When drawing up a Leadership Development Programme it is therefore important to ensure that the skills which are to be acquired, are in fact teachable.

Many Leadership Development opportunities are lost solely because the objectives of the particular development action were not specified (McCall, 1992). It is therefore important to recognise the potential each development activity has, to teach different skills. McCall (1992) further suggests that Leadership Development should be a strategic business direction which will require time to work, commitment by all parties concerned, suitable allocation of resources and an element of risk taking. Leadership Development as a strategic tool can ensure a distinct competitive advantage.

The strategic plan (however informal) is the starting point and the foundation of all businesses. If leadership is so vital to the long term survival of an organisation then it should be captured in its strategic plan. This way, when the strategic plan is broken down to the lowest level, leadership will be carried with it.

Commitment to the problem by all parties concerned is vital to the successful accomplishment of Leadership Development. Firstly, top management's commitment may be captured in the strategic plan, with

the consequential alignment of other organisational plans to compliment Leadership Development. Leaders must be held accountable for ineffective leadership. All obstacles countering Leadership Development (emotional, structural, etc...) must be identified and removed. The fact that Leadership Development is a strategic direction will not guarantee that it will be accepted. It is therefore important to attempt to create an organisational culture which will accept it. Such a culture is stimulated by getting the right people in the right place at the right time. Productivity should increase (measured in organisational goal attainment) where qualified people are used to teach leadership skills. Lastly the proper rewards should be in place to positively reinforce desired performance.

2.3.6 Summary

Leadership Development becomes increasingly important amidst the changing environments of today's organisations (Charlton, 1992). The risk of organisational failure has increased alarmingly.

Much has been written about leadership, but even though significant advances have been made the past few years, little is known about it (Senge, 1990).

Organisations require leaders of vision who will, through the empowerment of workers, carry the organisation to its future goals.

A FOCUS ON MANAGEMENT

PART III

AN UNDERSTANDING OF MANAGEMENT DEVELOPMENT

PART III

2.4 AN UNDERSTANDING OF MANAGEMENT DEVELOPMENT

2.4.1 General

Although managers have been (directly or indirectly) developed since earliest days it is only modern theorists whom have defined this development as a process. Their theories and definitions which substantiate this are discussed in more detail in the next section.

Smith (1985) regards Management Development as being critical to the long term success of the organisation. Senge (1990) holds that the ability of organisations to learn will, in fact, be the deciding factor in determining an organisation's survival in the complex and constantly changing environments in which we operate. All indications are therefore that managers will need to learn how to manage these organisational and environmental changes to ensure organisational survival. The continual development of Management is therefore vital to this success and can be a distinctive competitive advantage (Senge, 1990).

Gerber et al (1987) regard Management Development Programmes as an opportunity for individuals to learn about management and organisational problems. They further more see Management Development Programmes as an opportunity to motivate these individuals.

2.4.2 Management Development Defined

In order to focus on what Management Development is, recognised theorists' definitions of Management Development and Management

Development Programmes have been compared. The following is a compilation of the theorists' definitions of Management Development:

Noel (1993) quotes Rothwell and Kazans definition of a Management Development Programme: *"... a systematic effort to train, educate, and develop individuals who aspire to - or are already functioning in - the management ranks. It is conducted on the job or off the job to meet individual, group, and organisational learning needs and to improve performance"* (p.63).

Barth (1992) regards a Management Development Programme as one which: *"...typically involves a structured set of activities designed to build and maintain managerial (as opposed to specific technical) skills and personal qualities, such as interpersonal effectiveness"* (p.39).

Fitzgerald (1992) defines Development (and the development of managers by implication) as: *"-the acquisition of knowledge and skill that may be used in the present or future. -The preparation of individuals to enrich the organisation in the future. -The act of being involved in many different types of training"* (p.81).

Stoner (1989) states that: *"Management Development is designed to improve the overall effectiveness of managers in their present positions and to prepare them for greater responsibility when they are promoted"* (p.346).

Gerber et al (1987) use Glueck's (1978) definition which says" *... it is a process whereby managers can gain experience, skills and attitudes to become or remain successful leaders in their enterprises"* (p.184). They go on further to suggest that it is a process which teaches managers to take important decisions for the organisation.

Hughes and Kapoor (1985) suggest that: *"Management Development is the process of preparing managers and other professionals to assume increased responsibility in both present and future positions"* (p.244).

Some older, but still relevant definitions are:

Koontz et al (1982): *"... we use the term Management Development to refer to the progress a manager makes in learning how to manage"* (p.360).

Schwartz (1980) states: *"Management Development is the process of establishing programmes and an organisational climate that will help individual managers better their skills, expand their knowledge of their particular jobs and improve their attitudes toward the organisation and its goals so as to enable them to make the greatest possible contribution to the attainment of organisational goals"* (p.392).

Ashton et al (1975) describe Management Development as: *"A conscious and systematic decision - action process to control the development of managerial resources in the organisation for the achievement of the organisational goals and strategies"* (p.5).

House (1967) claims: *"... any attempt to improve current and future managerial performance by imparting information, conditioning attitudes or increasing skills"* (p.13).

Key elements can be extracted from the above definitions, to provide a basic understanding of Management Development:

- Management Development is a structured process,

- within an organisation,
- that is concerned with improving managers,
- so as to assist them in the more efficient execution of their jobs,
- now (currently) and in the future,
- for the ultimate achievement of the organisation's goals.

The discussion which follows considers these elements in greater detail.

2.4.3 The essence of Management Development

(a) A Process

(i) Activities

Management Development is a process.

Gerber et al (1987) make a clear distinction between the process and the context of Management Development: They see the context as the relationship between the organisation's needs and the attainment of its goals. They site the adequacy of managerial resources as the determinant of whether or not the organisation will obtain its objectives or not. They see the process of Management Development on the other hand, as that which is concerned with changing the individual so that there will be an improvement in the future.

If an organisation creates a process (as opposed to a programme), managers will continue to develop over the term

of the process, which spans the length of their careers (future). If the organisation on the other hand, only creates a programme, the development will stop as soon as the programme ends (Smith, 1992).

The Management Development Process is a complex process and there are no quick solutions (Hays, 1985). The process should therefore be broken down into detailed steps (Koontz et al, 1982). These steps should be logically interrelated (Elkins, 1980).

The process is a collection of activities which are performed according to a structured method, for a common goal (Barth, 1992). The development of the candidate is not related to any one of the development activities, but rather to the long term improvement of the candidate (Elkins, 1980).

Gerber et al (1987) refer to a continuous process with goal directed development activities. In other words the individual development activities do not, on their own, constitute the Management Development process. It is rather their collective performance according to a set method that constitutes the Management Development process (Gerber et al, 1987).

For example: A manager is given a planned assignment to perform, which develops him further. The Management Development process is not restricted to the performance of the assignment but includes the activities which gave rise to (identification of) the Management Development need through

to the evaluation (comparison to predetermined standards) of the effectiveness of the performance of the assignment. It is therefore what happens once the development activity has been completed which is important (Fitzgerald, 1992).

The confusion surrounding this point may be magnified by the fact that the planned assignment may, in itself, be a process. For example the manager's assignment may have been to draw up a budget that he had never done before. The fact that budgeting is a process is, for the purposes of the Management Development process, ignored and regarded as the development activity. It is important to stress that many activities may develop managers, (House, 1967 says any attempt) but for practical reasons only those which occur according to a certain predetermined method will fall into the Management Development process. It is because of the very diversity of Management Development that many organisations restrict or focus their Management Development Programmes. The logic behind this is that they would rather do fewer things well, than risk doing many things only half way (ineffectively).

As so aptly illustrated in the old cliché: "a chain is only as strong as its weakest link", the Management Development process will only be as effective as the least effective part of the process. Should, for example, no methods exist by which to identify Management Development needs, the Management Development Programme will not be implemented because the

needs will be unknown. The relative strengths and weaknesses and contributions made by the different parts of the Management Development process will therefore have to be evaluated carefully.

(ii) Purpose

Organisations may only have one specific reason/goal for having a Management Development Programme. This certainly does not distract from the ultimate effectiveness of their Programme, but rather concentrates on one goal. For example a certain American Company has a Management Development Programme which sole purpose is to develop Key expatriate managers to ensure that their overseas assignments go according to plan. This programme also allows for developing these managers so as to reduce the reverse culture shock that they may experience on their return to America on completion of their assignments (Rahim, 1983).

Organisations could also have more than one specific Management Development Programme. The advantage of this is that they possess more than one formal method/process to achieve certain goals. The down side is that this can result in high development, maintenance and training costs to ensure the effectiveness of these programmes. A cost benefit analysis could justify this. The goal of this research report is (after careful consideration of all relevant factors) to develop a Management Development Programme which will be able to be

applied to any Management Development need in any number of organisations in the Life Assurance Industry.

(b) Within the organisation

The Management Development Process is (as stated previously) something which occurs within the limits of the organisation (Ashton et al, 1975). More specifically an action can be considered to be part of the Management Development process if it is initiated and finishes (final evaluation and feedback) within the organisation (Ashton et al, 1975).

For example: a Life Assurance manager enrolls at a Tertiary Institution to complete a degree. In order for this to be considered to be part of the Management Development process, the decision to use this degree as a development action would have had to have formed part of a formalised Management Development Programme.

This concept can be complicated even further by the fact that theory places no restrictions as to whom should initiate and carry out the Management Development Programme.

This means (as may normally be expected) that the programme could occur between the manager and another party (typically a superior) who co-ordinates the programme. Alternatively the programme could have been self-initiated and controlled by the manager undergoing the development.

The cut off point is therefore only those activities which follow the formal steps of a Management Development Programme. All else is put down to be a coincidental ally or an independent Management Development activity.

(c) Improving managers

It should not be forgotten that the objective of a Management Development Programme is to improve managers. There is always room to improve managers (Schwartz, 1980). The Manager Development Programme in fact facilitates learning (Koontz et al, 1982).

It is however not always so clear. Some activities may do more for team building or even for recreation, than for Management Development. In choosing development activities, the benefit gained from such an activity should be carefully evaluated before implementation (Gerber et al, 1987).

Improvement implies some form of upliftment or creation of a better state for the parties concerned. The individual managers should be able to take on new and increased responsibilities or even perform current responsibilities more efficiently (Hughes and Kapoor, 1985). The organisation, the other party to the relationship, demonstrates indirectly its benefits gained from the improved managerial performance, in the more effective achievement of its objectives.

This is what, according to McCall (1992), gives the organisation a distinct competitive advantage.

The Management Development process therefore continually considers to which standards managers should perform and how this performance should occur so as to lead the organisation to the successful achievement of its goals and objectives.

The Management Development Programme addresses this by attempting to alter the:

- individual/group and organisational behaviour to be more effective
- individual's attitudes and organisational culture to be more productive and informed/enlightened
- individual's methods and organisational systems to be more productive and effective.

This improvement is accomplished through a process whereby managers are purposefully exposed to redefined inputs (Gerber et al, 1987). These inputs, the gaining of information, knowledge, skills and disciplines, are imparted by means of training, planned experience and even indirectly through structural changes.

Nunes (1994) stresses that Management theory will, on its own, not result in improved management performance. He says that traditional Management Development Programmes focused on cognitive academic elements, while most management tasks require an equal amount of practical skills. He therefore suggests that Management Development Programmes should concentrate

on developing appropriate behaviours. An effective Management Development Programme would therefore balance both theoretical and practical skills.

(d) Efficiency

The improvements that the managers have received should enable them to execute their organisational duties more effectively (Ashton et al, 1975). Managers should have gained additional skills and knowledge or focused their attitudes, the application of which will result in this efficiency (Schwartz, 1980). Improvement therefore refers to the individual, while efficiency refers to the product of the individual's performance.

A good Manager Development Programme should encompass all aspects of a manager's job (Schwartz, 1980).

The mission of the organisation states the purpose of the organisation's existence (Thompson and Strickland, 1990). The mission determines organisational objectives, which represent the needs of the organisation. Managers enter into an exchange relationship with the organisation. They anticipate/agree to certain rewards in exchange for assisting the organisation to achieve its objectives. The managers have, as a result of this relationship, certain needs - that which they require to successfully fulfil their part of the relationship.

The Management Development Programme provides the process which facilitates the satisfaction of both the organisational and

individual needs for the ultimate benefit of the parties in the exchange relationship:

The organisation's objectives are achieved more effectively than before (through improved Managerial performance) and the individual manager receives his rewards.

(e) Time frame

Gerber et al (1987) suggest that : "*Management Development should be a continuous process of goal directed exposure to various inputs which will give managers the necessary knowledge, skills and attitudes to execute their managerial task effectively and achieve their enterprises objectives*" (p.208). This refers to current tasks, but one of the most important requirements placed on a manager today is the ability to change (Schonfield, 1992).

Management Development Programmes do not only focus on the short term, but also attempt to provide for future Management Development needs (House, 1967). The organisation's objectives (the source of organisational Management Development needs) are after all, formed from the organisation's mission and vision, which represents the organisation's anticipation of the future (Thompson and Strickland, 1990).

The individual managers' needs also stem from their perception of their ability to satisfy these objectives. For this reason, Management Development is a continual process - future

concentrated (House, 1967). Arkin (1993) refers to preparing managers for the unknown.

In order to maintain this broad focus, it is important to ensure that the instruments used to identify Management Development needs cover both immediate and future Management Development needs - organisational and individual (House, 1967). Further more when deciding on the action to be used to develop the individual managers, the time scale in which the need satisfaction is anticipated to occur, should be considered (Gerber et al, 1987). This is important because the purpose of Management Development is according to Drucker (1988), to provide managers with the necessary skills to enable them to take decisions in the future.

(f) Organisational goals

Even though it has been emphasised that organisational and individual Management Development needs should enjoy equal importance and emphasis, at the end of the day, the ultimate purpose of a Management Development Programme is to achieve the organisation's goals (Koontz et al, 1982). The only reason why organisations are concerned with the individual's needs is so that they do not exploit them, or ignore a vital need which otherwise would have meant the more effective achievement of the organisation's goals. This need not be a selfish or an exploitative purpose. That would depend entirely on the organisation's mission

(purpose for being in business) and the way in which this purpose is pursued.

In fact the only possible reason for using a Management Development Programme would be the fact that it represents an integral part of the organisation's business strategy (McCall, 1992). That is the plan of action to achieve its objectives. Management Development should not be a secondary consideration or represent a possible course of action. It should not have to compete for a place on a priority list (McCall, 1992). It should be a way of doing business - a commitment to constant improvement and development. Such commitment could either be stated expressly or be reflected in the organisational culture.

In the discussion of individuals vs the organisation, the individuals have a dual role to play:

- In their first role they are viewed as independent units/bodies to that of the organisation, with their own needs and personality.

They are seen to be independent of each other and the uniqueness of their needs are recognised.

This takes the individuals vs organisation concept which is most commonly seen in the trade unions : workers vs organisation relationship, even further.

- In their second role [described by Pickery and Matson (1992), as the organisation's collective behaviour] they are viewed in strong contrast, in a colonial relationship where their collective

performances united in the organisation's mission and objectives, represent an abstract (sometimes legal) body - the organisation. In fact in this role the individuals are not seen at all, it is rather the organisation with its own needs (objectives) and personality (culture), that is considered.

(g) Summary

For the purposes of this research report, Management Development shall therefore be seen as any action relating according to a predetermined process within an organisation (in the Life Assurance Industry) to its managers, irrespective of their technical function, which imparts information, skills, gives experience and/or conditions attitudes so as to improve and thus enable them to more effectively fulfil their duties and accomplish their organisation's goals, now and in the future.

2.4.4 Management Development perceptions

Traditionally Management type skills are not taught to new or potential managers. Smith (1985) says that managers were expected to learn these skills by observing their senior. This is however not always appropriate (Pearson, 1993).

The most technically competent employees are typically promoted to supervisors and subsequent development is commonly minimal (Nanada, 1988). People whom are already in Management positions are also not assisted in maintaining and furthering their development amidst changing environments. Changing environments imply that managers should

adapt and develop in response to these changes (Nanda, 1988). Technical skills are taught, but it is assumed that the Management (social) skills will be picked up along the way as a result of experience (Smith, 1985). Kizilos (1991) says that pure technical skills are however only going to help one so far after which social skills become vital. This practice is enforced from a young age, throughout school and in the workplace. Smith (1985) sees it as a cultural problem. In fact the idea of having to learn such managerial skills appeared to be an "insult" to one group of managers whom were informally interviewed at a particular Life Assurer. If one achieves a high degree of technical proficiency one is rewarded with a good examination mark, a certificate and/or peer recognition.

There are on the other hand few examinations which measure managerial skills. Kizilos (1991) says that although managers could previously base their success solely on their technical skills, employees are just not prepared to accept managers these days who do not possess good social skills. Subordinates and peers do recognise good management skills, but there appears to be a void between possessing and not possessing managerial skills (Charlton, 1992). Although resistance to change is generally experienced by Management Development candidates graduating from both technical and social/managerial Management Development type programmes, it is the technical Management Development Programmes which seem to enjoy some preference (Pickering and Matson, 1992). Technically based change seems to be more readily accepted. This basically boils down to the fact that a lack of technical skills is more easily recognised and

rectified than managerial skills which, often go unnoticed or are just tolerated (Charlton, 1992).

This not only indicates ineffective processes and instruments which identify Management Development needs, but also pre-determined values and attitudes toward Management Development. Senge (1990) suggests the use of a set of tools to develop thinking in terms of systems to improve the functioning of systems. He however suggests that this will not be possible if we do not break down stereotypical pictures deeply set in our minds which provide mental barriers. As Management Development processes rely totally on the identification of Management Development needs to initiate the process, it is imperative that equal recognition is given to both technical and managerial type skills. A good starting point to achieve this equality is to ensure that the Management Development process has far more than just technical training and development to offer. It should be noted at all times that we are concerned with developing the total individual manager or group of managers (technically and managerial).

2.4.5 The accomplishment of Management Development

From the understanding of what Management Development entails, it is possible to gain an understanding of how it is accomplished.

The aforementioned definitions(see section 2.4.2) indicate that Management Development is concerned with:

- imparting information so as to

- improve skills,
- condition attitudes and
- give experience.

All this is achieved through a conscious and systematic decision - action process. The two main methods through which development is achieved are training and experience, collectively known as training and development (Gerber et al, 1987). That being the broad outline, what are the specific methods adopted to accomplish this?

The previously mentioned theorists (Hughes and Kapoor, 1985; Stoner, 1989; Gerber et al, 1987; Ashton et al, 1975 and House, 1967) had the following Management Development methods in common:

On the job methods:

- coaching and counselling
- job rotation
- planned assignments and activities given to trainees
- training positions under a superior (understudy)
- internships and apprenticeship

Off the job methods:

- in house classroom training
- external university and college courses

- selected readings
- simulation
- business games
- role playing
- seminars, conferences and lectures
- brain storming
- computer assisted instruction
- assessment centres

Gerber et al (1987) favour on-the-job development methods as the manager is being developed so that he can cope better within this very environment. Development via on-the-job methods also occurs continually (Kirkpatrick, 1985). On-the-job methods in fact facilitate the candidate's learning process through an improved understanding of the candidate's actual work (Mumford, 1994).

Managers, (as in the case of a senior manager developing a junior manager) also become developers themselves through on-the-job coaching methods (Mumford, 1994).

Gerber et al (1987) do, however, acknowledge the need for off-the-job development. This would, according to them, depend on the organisational needs and the manager's position in the hierarchy.

Gerber et al (1987) also suggest that Management Development can occur (other than on-the-job or off-the-job) indirectly as a result of the application of behavioural science to modify the behaviour of an individual or group.

When selecting the appropriate Management Development action many factors have to be considered. Some of the more important ones may be:

- will this action satisfy the Management Development need now and in the future?
- does the anticipated benefit outweigh the cost of the development action?
- what will the impact of the development action be on the individual manager's motivation and that of his peers?
- how will this action be practically implemented and by whom?
- how will we know when the Management Development need has been satisfied?

All of these issues should be addressed in the design of the Management Development Programme so as to ensure its effective functioning, thus justifying its existence and resource utilisation.

2.4.6 Leadership vs Management Development

(a) General

Throughout the progression of human resources theory, new topics have captured the interest of academics and practitioners alike, sending them off on new tangents. Leadership Development has been no exception. Leadership appears to be the latest human resources buzz-word, leaving in its wake different schools of thought, favouring either Management or Leadership Development.

It is not the purpose of this study to give in to social bias and to choose sides by favouring one approach above the other. The reality is that there will always be a need for people to manage/lead others.

In fact, Arkin (1993) does not restrict the choice of management or leadership to an either - or choice and force it upon the entire organisation, but talks about facilitating the most appropriate one for a particular manager/leader for his unique environment. The truth is that good managers/leaders are vital to the long term success of organisations (Charlton, 1992). The Life Assurance Industry, at which this study is directed, has not decided to do away with hierarchical functions. As long as the Life Assurance Industry has managers, they will require developing. Certainly the title of such positions (leader or manager) does not determine the success or failure of the functions executed. In fact a manager can be a leader as well (Gray and Starke, 1984).

The purpose of the study is therefore to consider the most respected and relevant literature and to provide a structured method by which to develop personnel who occupy or who have the potential to occupy (potential as defined by the individual organisation's career advancement requirements) hierarchical (management) positions. This structured method is called a Management Development Programme. The Management Development Programme is in itself only a means to an end. Kizilos (1991) regards it as one tool to improving managerial performance. The Management Development Programme merely provides the process by which the development can occur and does not predetermine which skills the manager/leader should possess.

Inherent to the Management Development process is the identification of development needs. It is through the execution of the Management Development Programme that the identified Management Development need is analysed and the appropriate skill required to satisfy this need, is determined (Arkin, 1993). The correct execution of the Management Development Programme should therefore limit subjective favouring of the latest human resources trends.

(b) Specific differences

The goal of Management Development appears to be to formulate a continuous process whereby the current and future Management Development needs can be satisfied through the execution of

various methods (Gerber et al, 1987). The goal of Leadership Development appears on the other hand to attempt to permanently instil predetermined values, behaviours and methods by which to view people and problems and the leader's self development (Charlton, 1992).

Management Development is a process which is continually applied to solve new Management Development needs which arise periodically. The skills which were acquired in the one-off Leadership Development action must be applied now and in the future.

Leadership provides the skills by which to lead workers better and is therefore aimed at satisfying organisational needs. By developing managers the individual's needs may be satisfied. The organisation's needs are, however, satisfied through the improved performance of the individuals (Stoner, 1989).

Management Development is aimed only at existing managers or at potential managers. The skills imported are these which will assist the manager in performing his job. Leadership Development is aimed at anyone in the organisation who may be in a situation where they can lead/influence others towards a goal (Gray and Starke, 1984). This allows for formal and informal leaders (Gray and Starke, 1984). The two schools therefore overlap in so far as personnel in managerial positions, may also be leaders (Charlton, 1992).

2.4.7 Approaches to Management Development

(a) Management Development needs

(i) General

Management Development Programmes should satisfy real needs (Galagon, 1992). A needs assessment should be done before a Management Development Programme can be selected (Stoner, 1989). Appropriate intervention actions are then selected in response to these needs. One approach to selecting a Management Development Programme is therefore to solely consider the needs to be satisfied.

(ii) Two types of needs

Drucker (1988) says that individuals and organisations both require Management Development. He sees two dimensions to Management Development : The first is concerned with developing managers to equip the managerial group for the future to ensure organisational growth : The second is concerned with developing the manager in an attempt to achieve excellence. The first dimension focuses on the organisation while the second focuses on the individual.

Ashton et al (1975) had a similar interpretation and identified two types of Management Development needs within an organisation, namely: Organisational needs and individuals' needs.

(iii) Organisational needs

Organisational needs may relate to future or current needs. Future organisation needs stem directly from the organisation's perception of what the future will demand of it. These demands are determined through the strategic planning process.

In the strategic planning process, a mission statement is drawn up in response to the organisation's vision of the future. Objectives are set in accordance with this mission, but subject to the strengths and weaknesses of the internal environment and the opportunities and threats of the external environment. These objectives represent what the organisation wants to achieve, i.e. the organisation's future needs. Strategies are then devised, evaluated, selected and implemented in an "attempt" to achieve these objectives. The implementation of the strategies is captured in the daily operations. These daily operations may in turn result in current Management Development needs which require satisfaction in the immediate future to ensure organisational objective attainment. The Management Development which occurs in an attempt to satisfy these needs, will therefore be judged by the contribution it makes to the attainment of organisational objectives (Dodge, 1989). A Manager Development approach which developed in response to these organisational needs is the top-down approach. The top-down approach begins with the

organisational needs and develops managers so as to best satisfy these goals (Ashton et al, 1975). This approach proposes to help the individual to satisfy his needs in so far as his needs are common to those of the organisation (Dodge, 1989).

(iv) Individuals' needs

Individuals' needs on the other hand stem from the individuals' performance and may be determined by the individuals themselves or through a human resource evaluation instrument such as a performance appraisal. The Management Development approach which satisfies these individual needs, is the bottom-up approach. The bottom-up approach is concerned with how to best develop the organisation's managers (Ashton et al, 1975).

(v) Summary

Although organisational needs have priority when it comes to development, an ideal Management Development Programme should balance both individual and organisational needs (Dodge, 1989). Any organisation with long term goals should make use of a programme which integrates both the organisation's and the individuals' needs (Koontz et al, 1981).

The problem lies not so much in how to ensure this in the programme, as it lies in how to convince the parties concerned that both their needs are being addressed. This will be

discussed in more detail later under the heading of commitment.

(b) Contingency approach

(i) General

There are basically two types of Management Development Programmes. There are the off-the-shelf type which tend to be highly structured and there are the custom designed Management Development Programmes which are individualised to suit the particular organisation (Fiedler and Garcia, 1985).

(ii) Off-the-shelf

While custom designed Management Development Programmes may appear to be more attractive, off-the-shelf programmes may be more applicable in certain instances.

The off-the-shelf programme may also be more reliable. For example, a hand made cuckoo clock may be less accurate than a cheap mass produced quartz clock (Fiedler and Garcia, 1985). It is also not to say that just because a Management Development Programme was custom designed, that it will fit the organisational culture better than an off-the-shelf programme. This would depend on the quality and skill of the person designing the programme. Handknitted jerseys don't

always fit better than factory made jerseys (Fiedler and Garcia, 1985).

(iii) Custom made

Just as individuals have different and unique personalities, organisations have their own cultures. These cultures, are in a sense, the personalities of the organisations and represent the aggregate of the individual member's strengths and weaknesses and their methods of doing things (for example their leadership styles). It is therefore not always fitting to force an off-the-shelf Management Development Programme onto an organisation. Such programmes may conflict with the organisations culture and may not be relevant in content (Galagon, 1992).

This is why the contingency approach is suggested when designing Management Development Programme for an organisation (Ashton et al, 1975). Houghton et al (1978) in fact view this as the key to a successful Management Development Programme. The uniqueness of the organisation and its member's culture, personality and needs should be considered and a programme should be custom designed to suit that particular organisation. Koontz et al (1981) call this tailoring development needs.

Arkin (1993) underlines the importance of considering, the type of people whom are to be developed and how they will be most

comfortable learning, when designing a Management Development Programme.

Littlefield (1984) says that value for money should be the central motivation for choosing a tailored Management Development Programme. He maintains that those responsible for the development should ask if they are getting value for the money that is being invested in the programme. Littlefield (1984) goes on further to say that change can be achieved quicker through tailored programmes because they enable one to be results orientated.

(c) Competency Approach

Mc Afee and Champagne (1988) define five steps to this approach. The first step is to determine the areas of skills (competency categories) required by managers. These include administrative, interpersonal skills, management itself, business skills, etc. These competencies may differ at different managerial levels (Sandwith, 1993).

Next, the specific competencies required by the manager are defined. These competencies are generic across jobs on the same level (Sandwith, 1993).

The third step includes developing development manuals which will assist managers in acquiring or improving competencies.

Next, each manager is evaluated and an improvement plan is prepared to develop the manager.

Lastly, the managers development is monitored periodically and assistance is given where the manager is experiencing difficulty in mastering a competency.

The competency approach attempts to improve on previous versions of this approach. Under these previous approaches a manager undergoes certain training on reaching a particular level or on accepting a particular position.

Under the previous approach managers received training that they did not require (McAfee and Champagne, 1988). Under the competency approach there is a needs assessment, but the skills required and development actions are still predetermined. This approach is therefore training based and not development need based.

2.4.8 Requirements of Management Development

(a) Alignment

(i) Business strategies

The business strategies selected by an organisation indicate the broad action plans by which it will achieve its objectives (organisational needs). It is therefore vital that the organisational systems are aligned to these strategies to ensure that the organisation's objectives will be attained (Brush

and Nardoni, 1992). The belief is that development will facilitate a change in the organisation's culture if the programme is developed keeping the mission and vision of the organisation in mind (Sauter, 1992).

The Management Development Programme should be regarded as a management tool which can assist the organisation in going forward, rather than regarding it only as something which runs parallel to the other business strategies (Evans, 1994). Evans (1994) goes on further to suggest that the correct mechanisms should however be in place to ensure that the development assists in achieving the business strategies.

Kelly and Davies (1994) regard the skills, knowledge and attitudes imparted by a Management Development Programme to be an important contributing factor in the implementation of an organisation's business strategy.

This integrated approach which aligns the candidate's and the organisation's needs (strategies) in what will ensure that qualified managers will be available to meet future organisational needs (Dodge, 1989).

It is therefore vital that the Management Development Programme be linked to the business strategies (Smith, 1992).

As an example let us assume that a particular Life Assurer's objective is to secure 60% of the Life Assurance market over

the next five years. Let us assume furthermore that the business strategy which it chose to achieve this is : product differentiation on the basis of highest Return on Investment.

The Human Resource department's staff budgets predict, in response to this strategic direction, the Management Development need of additional product portfolio (investment) managers. It goes without saying that it would serve no purpose to develop the new portfolio managers' computer skills to the highest degree of proficiency as the strategy adopted was not product differentiation on the basis of technological leadership. It would be better to furnish them with a working knowledge of computers and concentrate on their knowledge of the workings of capital and money markets.

According to McCall (1992) the only legitimate reason for having a Management Development Programme is if it is integral to the organisation's business strategy.

(ii) Organisational plans

Management Development is, however, a wide concept and does not occur in a vacuum. It interacts with many other processes. Gerber et al (1987) suggest that Management Development and Organisational Development have a direct influence on (amongst other areas) goal attainment. They go on further to say that Management and Organisational Development influence the job environment in so far as they

influence the organisational climate, personnel policies, working conditions and group relations.

Barth (1992) regards Management Development as a very important organisational task and say that top management should look for ways in the planning stage of integrating Management Development with the organisational plans. Management Development should in particular be linked to the total organisational training and development process (McQuigg- Martinetz and Sutton, 1990).

Commitment to the Management Development Programme can be improved through the correct alignment of organisational plans (Kaye and Leibowitz, 1994). If for example, Management Development is being used to assist a particular manager's career plan, then he would be committed to the Management Development Programme as he would perceive it as being necessary and useful.

Management Development is a system that is initiated in response to the influences of other systems and in turn provides inputs to initiate and influence other processes and systems. Examples of such systems, plans and processes may be the Management performance appraisal system, career development plans, succession plans, human resources budgets, etc...

Just as the Management Development Programme must be aligned with the business strategies (new ideals), it should also

not contradict existing organisational plans and procedures (Brush and Nardoni, 1992). As an example : It would be counter-productive to develop a manager who is in the decline stage of his career life cycle and who is busy preparing for retirement (Schein, 1978). It is therefore important that links be formed between the Management Development Process and the other organisational systems (Ashton et al, 1975). Careful consideration should therefore be given to include all possible instruments and methods of highlighting Management Development needs. The inclusion of formal steps in the execution of the Management Development Programme will not guarantee good communication links and channels. These will have to be formed and maintained as part of the normal operations. Ashton et al (1975) refer to an informational sub system underpinning the Management Development Programme.

(b) Cost efficiency

Kizilos (1991) says that organisations are being forced to consider managers more than before, simply because of the large amounts that they have invested in them. He says that it is just too expensive (if a manager does not achieve) not to look at managers.

Most organisations, of which Life Assurers are no exception, operate for profit. Management Development Programmes should, as in the case of any other programmes, be cost efficient. Gerber et al (1987) suggest comparing the cost of doing the training to the

cost of not doing the training. If the costs outweigh the desired benefits, the programme should not be developed and implemented. A complete viability study should be conducted to establish the cost : benefit relationship or the expected return on the investment.

Schwartz (1980) says that the overall motivations should be to obtain improved results and productivity from the managers on returning from the programme using the same resources to perform their job as they did before they attended the programme. The programme should be able to show how it will contribute to increased profits. But, plainly, the programme should make good business sense (Galagan, 1992).

In fact it will be difficult to try to convince top management of the benefits of the programme if the benefits cannot be quantified and management understand increased profits best (Galagan, 1992). Management may however be under the misconception that these benefits will be achieved immediately and by using existing resources.

In order therefore to minimise unrealistic expectations and misconceptions a general time frame for the programme and budgeting considerations should be emphasised in the planning stages of the programme. This would also reduce management's demand for short term results which do not transpire in the long term (Barth, 1992).

The emphasis of the programme should therefore be on long term benefits. This can, according to Gerber et al (1987), also be a measure of the effectiveness of the programme. Ultimately the contribution made to the organisation's profits will be the determinant.

The cost : benefit analysis should also be conducted continually, even if not formally (Schwartz, 1980). The problem is that while the expected long term benefits may outweigh the short term development and implementation costs, the long term maintenance costs may far exceed reasonable proportions.

Drucker (1988) says that Management Development Programmes are so much more than just attending training courses and should be used for much more than just promotional or replacement planning. Koontz et al (1981) says that this would be no more than an unsystematic approach to training and could be very expensive.

If the Management Development Programme should prove to be ineffective, at any time, by cost or by any other means, the programme should be abandoned. While this may prove to be costly and wasteful, a more desirable alternative may be an analysis of shortcomings and an action plan to bring the programme back on track.

Gerber et al (1987) suggest considering the following factors when assessing the cost of the Management Development Programme:

- the candidate's lost productivity

- the trainer's/developer's time
- materials and aids, travel and subsistence

Gerber et al (1987), do not limit their expectations of benefits to the knowledge, skills and attitudes which the candidate will acquire from the development action, but regard the benefits as increased productivity/profitability in the work environment which results from the correct transfer of these new skills. Benefits may also be seen in reduced accidents, incidents, increased turnover, lower labour turnover, less waste and fewer complaints.

Ultimately the reason for developing managers is to improve competitiveness (Carr, 1992). The most cost effective way to develop managers is by unlocking their own potential (Dodge, 1989). The organisation and the candidate must however work together to achieve this. Co-operation is the variable on which the cost effectiveness of the development effort depends.

Co-operation will highlight duplicated objectives (of the candidate and the organisation) and assists in defining a mutually beneficial Management Development action (Dodge, 1989).

(c) Commitment

(i) Inherent Willingness

The success of any programme depends on the commitment of its participants. A Management Development Programme calls for an inherent willingness by the parties to learn and ultimately

to apply the new skills. Learning should be entirely voluntary but the basic motivations should be in place (Koontz et al, 1981).

The problem is that participants may have unrealistic expectations of Management Development (Barth, 1992). Kizilos (1991), says that candidates might only be attending the programme because management requires them to. He says that it is important to know if the candidate wants to participate in the programme and if he understands why he is there. Force would only result in lip service, resistance to change and ultimately, demotivation.

Kizilos (1991) further suggests that one of the problems in obtaining these elements is the fact that successful people have difficulty in recognising their own shortcomings. Individuals may for example be satisfied with their present leadership style (Charlton, 1992).

The needs analysis is therefore insufficient to obtain the candidates commitment. The candidates must believe that they are going to benefit from participating (Barth, 1992).

In order to obtain their commitment, they must participate in the programme. More importantly they must feel that their input is actually being used. If the candidates are not willing to commit they may be convinced to do so through discussion (Kirkpatrick, 1986).

Dodge (1989) says that it is this participation which facilitates the learning process. He regards the challenge to lie in allowing the candidate sufficient freedom while still satisfying the organisation's needs. The Management Development Programme may even be regarded as a type of development contract between the organisation and the candidate (Dodge, 1989).

(ii) Participants

In a Management Development Programme the participants are the individual managers and the organisation. The individual managers are the candidates whom will be developed. The organisation may be represented by numerous parties. These include the candidate's superior (or sponsor), a division or functional unit or even a Management Development facilitator (normally from the Human Resources sector).

The parties' level of commitment may be influenced by their anticipation of possible benefits to be gained from the Management Development Programme. If these perceptions are not high enough, their level of commitment will also decline. Ashton et al (1975) suggest that the individual managers may feel that their needs are not being considered, while top management, who initiated the Management Development Programme, may feel that they are not getting the results (possibly measured in profits) that they anticipated.

These perceptions may be due to many factors (motivational, communication, structural, etc...) and may be addressed in any number of ways, but without the commitment of both parties, the Management Development Programme will not succeed.

Because of the individuals' dominant participation in the Management Development Programme, the individuals' perceptions (as demonstrated in their attitudes), become more important to the success of the Management Development Programme. Further examples of the individuals' perceptions which could negatively affect their commitment may be a perception on the part of the individual that top management is insensitive, arrogant and do not listen to the individual (Charlton, 1992). Top management's efforts may then be seen as a "clever trick" to condition or control them.

The answer to breaking down old perceptions of Management Development and to forging new attitudes, lies only partly in the Management Development process, in so far as a successful Management Development Programme (that is one which reaches its goals) positively reinforces its own existence and therefore future usage (Galagan, 1992).

Candidates should therefore be encouraged to participate fully (Whitmire and Nienstedt, 1991).

There is however a relationship on both sides, between attitude change and behavioural change, the argument being that if

attitudes change (made positive) it is easier to change the person's behaviour because they may now want to change (Charlton, 1992).

It is in this regard that Kelly and Davies (1994) view communication as being an important vehicle in gaining employee co-operation and involvement in changes. They furthermore regard communication as the tool which facilitates understanding which ultimately results in successfully influencing and motivating employees.

Verlander (1990) says that the ideal is to foster shared accountability between participants. Accountability/responsibility is determined by ownership (Keene, 1990). Ownership is what gives rise to commitment. Top management's commitment represents, to the managers undergoing the development, the organisation's commitment to the Management Development Programme.

Barth (1992) says that one way to achieve commitment is if Management Development is mandated from the top (top-down approach).

The organisation will then be able to hold people accountable. The key, he says, is communication. This will enable the candidates to know what is expected of them and Management Development will eventually become a way of doing business.

Top Management may prefer the mandatory approach as results can be achieved quicker (Barth, 1992)

Pickering and Matson (1992), on the other hand, suggest that management show its trust of employees by moving away from controlling employees. They believe that the confidence created through the empowerment of employees will result in the desired commitment.

This approach (the bottom-up-approach) involves identifying targets which will achieve success and slowly proceed to sell the benefits of the programme to fellow managers. Managers will voluntarily and gradually begin participating (Barth, 1992).

Barth (1992) believes that, although this approach to obtain commitment requires much more planning and takes longer to execute, the results will be more positive.

Evans (1994), therefore emphasises the importance of giving line management total ownership of the Management Development Programme to increase their responsibility.

The problem is that if power is given to employees it will have to be reduced in another group. This group is top management. Surrendering this power may however be difficult (Keene, 1990).

Barth (1992) concludes that the choice between mandatory and participative Management Development should be a

contingency choice, depending on the organisational culture and resources available.

(iii) Top Management

Commitment stretches far wider than the individual candidate. It is an organisation-wide concept.

Firstly top management must commit to the programme. They can demonstrate this commitment in a policy statement and thereafter in their active involvement throughout the programme (Koontz et al, 1981). But this formal policy statement does not automatically result in more training and furthermore it is no guarantee of a larger piece of the budget (Kimmerling, 1993).

Top management must see the Management Development Programme as being able to fulfil its objectives before they will allocate resources to the Management Development effort (Hays, 1985).

Top management should be involved in the process right from the beginning. They should also assist, if possible, in setting the tone and objectives of the programme (Whitmire and Nienstedt, 1991). The involvement of top management in the Development Programme right from the start will encourage commitment to the programme within the organisation (Hurley and Cunningham, 1993).

A formal policy statement of commitment by top management in the introductory phase of the Management Development Programme, is, on its own, unlikely to ensure solidarity between the organisation's and the individual's commitment. Individuals don't want policy statements, they need opportunities (Drucker, 1988).

Ideally the organisation's commitment should be demonstrated by top management's active involvement and constant support in the Management Development process and application of the individual's new skills once the applicant returns to the workplace (Verlander, 1990). Their commitment should be visible to the candidates and may be demonstrated by attending training and development sessions (Walker, 1991).

Furthermore top management must authorise and approve the necessary alignment of organisational processes, programmes, incentive schemes and culture with the Management Development Programmes (Pickering and Matson, 1992). They should structure the organisation to assist the Management Development Programme (McCall, 1992). Management Development should, as discussed earlier, be a business strategy (Walker, 1991).

After all part of the strategic planning process is to structure the organisation in response to the chosen strategic directions.

Without the commitment of top management, the success of the Management Development Programme is left solely to the individual manager's own ability and motivation. As such, with intrinsically motivated and able managers more than often prove to be the exception rather than the rule, the Management Development Programme is unlikely to succeed (House, 1967). An initial method of obtaining the candidates' commitment is to adequately prepare them before they attend the Management Development Programme (Verlander, 1990). A practised policy of openness and of laying all the facts on the table will dismiss uncertainties and distrust ultimately shown in the form of a lack of commitment.

(iv) Stumbling blocks

Colleagues may feel threatened by the candidates attending Management Development Programmes (Evans, 1993). This may result in the colleagues being negative towards the Management Development Programmes. Candidates may even be discouraged from attending in the first place.

Candidates are normally excited and ready to risk change as a result of their experiences on the programme (Arkin, 1994). Pickering and Matson (1992) site the strong organisational cultures (which are supported by unfavourable hierachial structures and management styles) as being the biggest stumbling block in obtaining effective change. They suggest organisational-wide change strategies.

An organisational culture and climate change exercise may therefore be more appropriate to create commitment in favour of Management tools such as Management Development Programmes. An organisational culture which is not conducive to change and/or learning will inevitably foster resistance to the Management Development Programme. Any further hope of change may be smothered if the environment into which the recently developed candidate returns, remains the same as it was prior to the development action (Pickering and Matson, 1992).

Verlander (1990) say that this will only frustrate candidates and they could end up seeing the Development Programmes as a waste of time. They will therefore not be committed to the process.

Colleagues and subordinates may not be tolerant of candidates' new behaviours and newly developed candidates may feel pressured to revert to their previous behaviour or worse even, apply for new jobs. Structural and social alignment to the Development Programme is therefore important to the overall success of the Management Development Programme (Pickering and Matson, 1992).

This will be discussed in more detail in section 2.4.9 which follows.

(v) Incentives

Elkins (1980) says that behaviour must be reinforced in the Management Development Programme. The assumption is that behaviour is instilled through reinforcement. (Conger, 1992). This reinforcement can be either positive or negative. Positive reinforcement can be achieved by aligning the reward system with the Management Development Programme (Smith, 1992).

In order to guarantee the individual's constant commitment to the implementation of the newly acquired development skills, the proper incentives should not be linked directly to the successful completion of the Management Development activity, but rather to the successful application of newly acquired information and skills to improve performance. This will ensure/maintain effective organisational goal attainment in the greater Management Development process. Koontz et al (1981) say that the emphasis of the incentive should be on the programme (that is until the performance evaluation of the programme) rather than short term benefits from attending a course (Development activity).

Charlton (1992) believes that these incentives should also encourage team work. They should therefore not motivate the individual at the expense of demotivating the group. For

example, if it is required of a manager to obtain a tertiary qualification, the incentive should not be linked to the successful graduation, but rather to the resultant improved performance in the manager's job. This will hopefully focus the manager and reduce the likelihood that managers robotically complete Management Development Programmes just to receive the reward without the corresponding improved performance in the work place. As an example, if the team within which the manager works sees him getting a reward just for getting "a piece of paper" without seeing the manager's performance improving, they may become demotivated.

2.4.9 A broader view of Management Development Programmes

In the case of off-the-job Management Development actions candidates are typically taken out of their environment and placed in low threat environments so that intensive learning can occur. On completion of such development actions (for example training seminars) candidates are normally enthusiastic to apply their newly required skills in their work place (Pickering and Matson, 1992). On returning to their work place, as discussed in the previous section, they are confronted with the same cultures and environments from which they were purposefully removed. It is here that the frustration begins (Verlander, 1990). The candidates, who seldom possesses the ability to implement change on their own, receive little support for their new ideas on organisational change as none of their peers were exposed to the same development as they were. Time constraints of existing schedules and deadlines kill any further hope

of change and training manuals are filed and never looked at again (Pickering and Matson, 1992). No change therefore occurs and both the individuals and the organisation see Management Development as a waste of time and money. It is for precisely these reasons, as sketched by Pickering and Matson (1992), that they view Management Development Programmes to be insufficient to initiate change on their own. It seems logical therefore that an additional effort is required, other than that which Management Development Programmes can offer.

Hays (1985) says that the answer to changing behaviours lies in changing the structures which support these behaviours.

Pickery and Matson (1992) are of the opinion that the initiative should come from the organisation's leaders. They proceed to highlight possible solutions:

Organisational change is best achieved when development actions are aimed at entire teams (starting with the highest level of Management possible) rather than individual managers. They see the resultant group interaction as a key catalyst in breaking cultural and other organisational paradigms which are supported by organisational structures. The entire change opposing structure is then exposed to development. In fact, in most cases the answers already lie within organisations; it is just a matter of creating structures (forums) and methods to bring these ideas forward. Management Development, as discussed earlier, is a change process. It is important to consider what it is which is to be changed and through which vehicle this change will best be achieved (Pickery and Matson, 1992).

Adding new skills may not be so much a change as it is only existing skills which are being added to or improved. The application of such skills may however initiate change. The fostering of new attitudes always requires change, a shift of mind. The first step in accomplishing change is to put new ideologies in place in groups. Management Development Programmes are excellent vehicles for this.

The next step is to evaluate these factors in such forums and to build on their reasoning. It is therefore important to ensure that the right people attend the Management Development Programme to ensure commitment and clout. A factor which will play an important role in determining who the desired development target is, will be the nature of the Management Development need. What is to be achieved?

If the skill which is to be taught affects only the individual then that is who the target is. If on the other hand the development actions challenge the status quo of the existing environment, it may serve better to draw an entire group in, in an attempt to obtain commitment and change.

Pickery and Matson, (1992) goes on to say that empowerment, which moves away from controlling employees, actually creates commitment. This of course requires a fundamental shift of mind by the organisation's leadership. It is however, this employee commitment (specifically of individual managers) which is a key determinant of a Management Development Programme's success because committed candidates can act as change agents (Shaffer, 1991).

Through the creation of vision by the organisation's leadership, candidates are able to align their efforts (performance) to a common goal.

This is in line with the importance which was highlighted earlier, that the Management Development Programmes and other human resource instruments and organisational strategies are aligned with one another to support the change process.

2.4.10 Summary

In summary the following factors may be said to be critical to the success or failure of a Management Development Programme.

- The individual must want to change.
- The environment must support this change.
- The degree of change required must be realistic. Drastic changes are not realistic.
- The type of change required must be able to be taught.

It may therefore be better, in some instances to change the job rather than to attempt to change the individual through development.

Management Development may give a distinct competitive advantage in an increasingly competitive and technologically complicated world (Fitzgerald, 1992).

CHAPTER 3

RESEARCH OBJECTIVES

3. RESEARCH OBJECTIVES

PAGE

3.1 OUTLINE OF CHAPTER

Specific Objectives

109

Rationale

109-111

3.2 SPECIFIC OBJECTIVES

- 3.1.1 To investigate the phenomenon of Management and Leadership Development.
- 3.1.2 To determine which organisational units and functions within Life Assurance Companies are responsible for Management Development.
- 3.1.3 To determine what the Management Development needs of the Life Assurance Industry are.
- 3.1.4 To develop a Management Development Model for the Life Assurance Industry.
- 3.1.5 To compile a Management Development Programme for the Life Assurance Industry.

3.3 RATIONALE

3.2.1 OBJECTIVE

To investigate the phenomenon of Management and Leadership Development.

RATIONALE

The goal of this objective was to firstly become familiar with the most recent and the most respected theory concerning the phenomenon of Management and Leadership Development. Secondly it was hoped that this knowledge would provide a point of departure from which to begin to satisfy the second objective. This was accomplished in so far as it

provided specific elements for which to look for within the Life Assurance Industry.

3.2.2 OBJECTIVE

To determine which organisational units and functions within Life Assurance Companies are responsible for Management Development.

RATIONALE

The purpose of this objective did not lie so much in the identification of the organisational units and functions responsible for Management Development. It lay rather in the analysis of what it is that these units do and how they accomplish it. The knowledge gained from this analysis was applied two fold: firstly to assist in the identification of Management Development needs and secondly to identify the method by which these needs are currently being satisfied.

3.2.3 OBJECTIVE

To determine what the Management Development needs of the Life Assurance Industry are:

RATIONALE

This was a particularly important objective. The purpose of this research report was to develop a Management Development Programme for the Life Assurance Industry. It was therefore of paramount importance that a thorough knowledge was gained of what it was that this Management Development Programme was to satisfy.

3.2.4 OBJECTIVE

To develop a Management Development Model for the Life Assurance Industry.

RATIONALE

This objective represents the culmination of the theoretical knowledge gained in the literature study and the knowledge of the Management Development needs and methods currently practised within the Life Assurance Industry. This coming together of knowledge is presented in a theoretical model. This model proposes how Management Development should occur within the Life Assurance Industry.

3.2.5 OBJECTIVE

To compile a Management Development Programme for the Life Assurance Industry.

RATIONALE

The satisfaction of this objective represents the final product of the research. It provides the practical steps which should be followed in order to best develop managers in the Life Assurance Industry.

CHAPTER 4

FOCAL POINTS OF RESEARCH

4. FOCAL POINTS OF RESEARCH

4.1 OUTLINE OF CHAPTER		PAGE
Step I	Literature review	114-116
Step II	A study of Management Development within the Life Assurance Industry	116-117
Step III	Developing the Management Development Model	117-118
Step IV	Developing the Management Development Programme.	118

4.2 STEP 1 - LITERATURE REVIEW

4.2.1 OBJECTIVE

To investigate the phenomenon of Management and Leadership Development.

Method:

In order to achieve the abovementioned objective a literature study will be completed. The aim of the literature study is to gain an understanding of:

(a) what Management and Leadership Development entail,

and

(b) how they are accomplished in an organisational context.

The application of this knowledge will assist in gaining an understanding of:

(a) Management/Leadership Development activities within the Life Assurance Industry common to those in theory

(b) the inter-relationship of such practices in theory, so as to assist in the compilation of a logical, clear and complete Management Development Model for the Life Assurance Industry.

As far as possible reference will be made to actual organisations in the Life Assurance industry in the application of theory.

The literature study will be divided into three parts.

The first part will consider the essence of Management. For this purpose recognised theorists' definitions of Management will be evaluated. The essential elements of these definitions will then be discussed in more detail. Next, managerial performance will be considered in terms of the generic skills required by managers and the roles which they have to fulfil.

The second part of the literature study will take a closer look at Leadership and in particular Leadership Development. Firstly the historical development of Leadership theory will be discussed. Next, modern Leadership theory was discussed. Once again recognised theorists' definitions will be considered and the important elements of these definitions will be discussed. Finally the accomplishment of Leadership Development will be evaluated.

The third and final part of the literature study will be examine the phenomenon of Management Development. Recognised theorists' definitions of Management Development will be compared after a short discussion on why Management Development is so important.. Important elements of these definitions will be discussed at some length, thereafter perceptions of Management Development will be discussed. Thereafter the accomplishment of Management Development will be evaluated in terms of which types of actions bring about Management Development.

Next, Leadership and Management Development will be compared. Approaches to Management Development and the requirements of

Management Development will also be discussed. Finally a broader perspective of Management Development Programmes will be considered.

4.3 STEP II - A STUDY OF MANAGEMENT DEVELOPMENT WITHIN THE LIFE ASSURANCE INDUSTRY

In an attempt to broadly focus the research, a study of the impact of Management Development on the Life Assurance Industry will be completed. This study will provide valuable insights needed to satisfy the second and third objectives.

The first area of impact of Management Development which will be investigated is the immediate target group of Management Development namely: the managers themselves. This group warrants a closer look due to their continued involvement throughout the Management Development process. Next, anticipated improvements (positive impact) to the Life Assurance Industry will be discussed as advantages of Management Development. The final impact of Management Development which will be discussed will be the added responsibilities of maintaining and implementing a Management Development Programme. Finally as an added spin-off the relevance of the proposed Management Development process on other industries will be discussed. Here it is not so much the impact of Management Development on the Life Assurance Industry which is to be discussed as it is the relevance of a Life Assurance Industry model on other Industries.

4.3.1 OBJECTIVE

To determine which organisational units and functions within Life Assurance Companies are responsible for Management Development.

4.3.2 METHOD

The organisational units and functions responsible for Management Development will be identified by combining the information gained from interviewing Life Assurers' personnel and the knowledge from the Literature Study. These units and functions will be analysed to determine the nature and objectives of their roles and responsibilities.

All Management Development activities performed by these functions will also be identified.

4.3.3 OBJECTIVE

To determine what the Management Development needs of the Life Assurance Industry are.

4.3.4 METHOD

A diagrammatical representation of the origins of the Life Assurance Industry's Management Development needs will be drawn up based on the findings of the observational study of Management Development within the Life Assurance Industry and the knowledge gained from the literature study. This diagram will be discussed at some length.

4.4 STEP III - DEVELOPING THE MANAGEMENT DEVELOPMENT MODEL

4.4.1 OBJECTIVE

To develop a Management Development Model for the Life Assurance Industry.

4.4.2 METHOD

A theoretical model proposing a process by which to develop managers in the Life Assurance Industry will be drawn up based on the knowledge gained from the literature study and the knowledge of what the needs of the Life Assurance Industry and their origins are. The suggested functioning of this model will be discussed in detail. This model will be achieved by compiling Management Development goals and identifying and evaluating alternative Management processes for the Life Assurance Industry.

4.5 STEP IV - DEVELOPING THE MANAGEMENT DEVELOPMENT PROGRAMME

4.5.1 OBJECTIVES

To compile a Management Development Programme for the Life Assurance Industry.

4.5.2 METHOD

Practical steps (in the form of a programme) by which

Practical steps will be compiled (in the form of a programme) by which to develop managers Based solely on the theoretical model of Management Development for the Life Assurance Industry. Special consideration will be given to whom should carry out the steps and when these steps should be taken.

CHAPTER 5

OBSERVATIONS OF MANAGEMENT DEVELOPMENT AND THE APPLICATION OF THEORY

5. OBSERVATIONS OF MANAGEMENT DEVELOPMENT AND THE APPLICATION OF THEORY PAGE

5.1 OUTLINE OF CHAPTER

PART I

The impact of Management Development on the Life Assurance Industry

- General 124-125
- Target Group 125-127
- The advantages of Management Development to the Life Assurance Industry. 127-130
 - The Management Development Model 127-128
 - The Management Development Programme 128-130
- The responsibility for the Management Development Programme 130-132
- The relevance of the suggested Management Development process to other industries. 132-133

PART II

Observation of Management Development within the Life Assurance Industry.

- Organisational units responsible for Management Development within the Life Assurance Industry	135-141
• The Human Resource function	135-139
• The individual manager's section	139-140
• External institutions	140
• Diverse units	140-141
- Management Development needs of the Life Assurance Industry	141-151
• General	141-142
• The strategic planning process	142-146
• The organisational design	146
• Workflow	146-149
• Individual/Group performance	149-151
• Conclusion	151

PART III

The Management Development Model

- General	153
- The identification of Management Development needs	153-155
- Setting of development objectives	155-159

- The identification of the appropriate development action	159-161
- Drafting Development Programmes	161-162
- Implementation of Development Programmes	162-163
- Evaluation and feedback of development	163-166
- Transfer	166-167
- Debriefing	167
- Setting application objectives	168
- Drawing up application plans	168-169
- Application	169
- Continuous Evaluation and Feedback	169-171
- Summary	171

**OBSERVATIONS OF MANAGEMENT
DEVELOPMENT
AND THE APPLICATION OF THEORY**

PART 1

**THE IMPACT OF MANAGEMENT
DEVELOPMENT ON
THE LIFE ASSURANCE INDUSTRY**

PART I

5.2 THE IMPACT OF MANAGEMENT DEVELOPMENT ON THE LIFE ASSURANCE INDUSTRY

5.2.1 General

As seen in previous sections, Management Development includes any action which develops managers. Examples of development actions within the Life Assurance Industry which were quoted earlier are: Internal and external training, planned assignments, on the job coaching and even social development resulting from interaction at the organisation's social clubs and other ad-hoc activities.

The impact of Management Development will therefore be correspondingly wide. The direct impact of Management Development can be seen by the effect that it has on its target group. Both the direct and indirect effects of Management Development collectively form the advantages and disadvantages of Management Development to the Life Assurance Industry. These are listed and discussed under part 5.2.3.

Management Development also carries with it certain responsibilities. These responsibilities also have an effect on the Life Assurance Industry.

Finally, not only does Management Development effect the Life Assurance Industry, but it also effects other industries in which it is practised.

It would seem logical that just as there are generic Management Development practices within the Life Assurance Industry that there should be some similarities between the Life Assurance Industry and other Industries. As a possible by-product, the applicability of the proposed Management Development Programme on other Industries should also be considered.

5.2.2 Target group

As seen in previous sections managers form part of every part of the Management Development process.

Personnel within the Life Assurance Industry, eligible for Management Development are personnel who occupy Management positions (including general management) as defined by their own specific organisation's job grading systems. These personnel will, for the purposes of this study be referred to as Life Assurance Managers. Other personnel who are included are those personnel who are most likely to be promoted into a managerial position.

There are however two types of managers within the Life Assurance Industry, namely: managers with subordinates and specialist managers without subordinates. Some Management Development actions are intrinsically common to both subordinate and specialist type managers.

The common link may not only be in content, but also in process: More specifically how Management Development needs are identified and how they are satisfied.

Specialists can also, due to a horizontal or vertical move, become subordinate type managers and vice-versa.

In other words the Management Development Programme should, in respect of specialists, allow for Management Development actions which they could undergo in their capacity as specialists (technical) and Management Development actions which they could undergo in their progression to become subordinate type managers (social).

The Management Development Programme will therefore affect both subordinate and specialist type managers.

The Management Development Programme will be presented to the Life Assurance managers and to the organisational units responsible for Management Development actions, in the form of an explanatory pamphlet or booklet.

The effect of Management Development on managers can be seen firstly in the manager's assumption of ownership and responsibility for his own development. This points to their attitudes toward Management Development. Next, the effect will be seen in their participation in various Management Development activities.

But ultimately the impact of Management Development must be seen in the manager's improved performance. This should in turn be seen in the improved attainment of organisational goals.

5.2.3 The advantages of Management Development to the Life Assurance Industry.

(a) The Management Development model:

The Management Development Model will encompass all Management Development activities available to all levels of Management within the Life Assurance Industry.

It will show the interaction between the different Management Development activities as well as the interaction between the Management Development activities and the organisational and other units responsible for their execution, i.e. it will show the flow of Management Development information and the responsibility of Management Development resources.

This should facilitate an improved understanding of the Management Development process to the organisational units responsible for the development and to managers (or potential managers) currently undergoing or with the potential to undergo Management Development.

The result of this enhanced understanding should improve:

- Life Assurance managers' motivation and commitment to the Management Development Programme.
- the economy with which Management Development actions are executed and resources employed, thus minimising duplication of development actions and increasing the degree to which Management Development resources are shared.

The Management Development Model is also anticipated to provide a good comparative basis for current and future Human Resource plans (for example: are staff being developed according to career development plans, replacement plans, etc...).

The Management Development Model will provide the basis from which a Management Development Programme can be drawn up. This Management Development Programme will provide a formalised and structured approach to developing managers now and in the future.

(b) The Management Development Programme

The Management Development Programme exposes managers to the standards of performance expected of them and in so doing helps them to define their own strengths and weaknesses (Smith, 1992).

The Management Development Programme stipulates:

- which actions are to be taken in order to develop Life Assurance Managers,
- when these actions are to be taken, and
- by whom these actions are to be taken.

The Management Development Programme will assist the Human Resources function within the Life Assurance Industry by:

- foreseeing managerial skills shortages through its identification of Management Development needs
- facilitating individual and organisational growth by providing formalised Management Development methods (Thamhain, 1992). The alignment of business plans can also reduce duplication and will assist in the overall focusing of business strategies.

The Management Development Programme can be used on its own or in conjunction with other human resource instruments and functions. For example: An organisational development action to improve communication may require that managers receive training in communication styles. The Management Development Programme can provide a formal method by which the training and development can occur. The programme helps managers to find the appropriate development actions, the successful completion of which will optimise their skills and result in better educated

managers (Smith, 1992). Better educated managers can in turn play more productive roles in their organisations.

5.2.4 The responsibility for the Management Development Programme

(i) Development

The onus ultimately rests on the candidate to acquire the necessary development (Dodge, 1989). This responsibility stems from the individuals' accountability for their own performance.

(ii) Promoter

The candidate's promoter should ensure that the development actions will impart relevant learning upon the candidate while still satisfying the organisation's objectives (Dodge, 1989). The promoter has the further task of allocating resources and therefore to ensure the cost effectiveness of the programme (Dodge, 1989). These responsibilities are of a guiding nature.

(iii) Top management

Top management's responsibility lies in granting the candidate the time to partake in such Management Development Programmes and to implement the candidate's new skills in the job environment (Dodge, 1989).

Top Management is also responsible for providing long term Management Development Guidelines (Thamhain, 1992).

(iv) Programme

Life Assurance Companies characteristically have large numbers of staff. It goes therefore without saying that they have large numbers of managers and potential managers. It would therefore be impractical to expect the Human Resource functions of these companies to assume overall responsibility for the success of the Management Development Programme. Nevertheless these Human Resource practitioners are all (by comparison to other industries) technically proficient. They therefore (due to this privileged position) have an important consulting role to play to facilitate a more effective Management Development process.

Management Development needs originate from daily operations (long and short term). The development actions (even though not always administered by the operating sectors) are eventually applied within the operating sectors and it is in these operating sectors that the benefits are required.

The Human Resource function (a staff function) is detached from the operating sectors (a line function) and, even though it may possess specialised knowledge and skills, cannot be expected to make operating decisions. The nature of its work is to provide information on request, facilitate staff functions administered by line officials (such as performance appraisals), to yield warnings and render guidance. The responsibility for the Management Development Programme rests solely on the line function. The line

function may be represented by a number of parties in the Management Development process.

Top Management who approve the use of Management Development Programmes also carry a certain responsibility to verbalise their commitment to the Management Development process. This commitment is (as previously discussed) fundamental in the success of the Management Development Process. The candidates, their superiors and to a lesser extent the peer work group also have a responsibility to ensure the effective execution and application of the Management Development process.

Specific responsibilities will be outlined in Part II of the discussion.

5.2.5 The relevance of the suggested Management Development process to other industries

The question naturally arises whether or not the Management Development process as defined by this research report, is at all similar to that of other industries. The answer to that question would therefore determine the generic applicability of the suggested Management Development Programme to these industries.

The fact that the research was based on the Life Assurance Industry does not limit the application of the findings of this research report. It is certain that assumptions which may render particular steps of the Management Development process irrelevant in specific industries or segments of industries. These assumptions have their basis in the very

nature of the Life Assurance Industry. For example: Companies within the Life Assurance Industries all have well developed Human Resource functions. Another industry may not have such well developed Human Resource functions and may therefore not have an Organisational Development sector or even in-house training facilities. All steps in the Management Development process involving these functions therefore become irrelevant or are substituted by similar functions.

Planning within the Life Assurance Industry is also particularly formal with detailed strategic plans forming the basis of many business decisions. Strategic planning within another industry may, due to the comparatively small size of the organisations within it, not be so formal. The contribution of Management Development to the strategic planning process would therefore not be so obvious.

The Management Development process, as suggested, can be applied to any other industry, within certain parameters. The Management Development Model is extremely general. It does not limit itself to any one particular Human Resource instrument. It begins with the identification of Management Development needs by a particular organisation's own measurement instrument. It therefore does not conflict with existing instruments, but actually works with them. The model goes on not to prescribe or favour any particular development action. Existing programs and methods may once again, be slotted in as deemed fit. The only limitation posed by the Management Development process is therefore that it should follow a structured set of steps.

**OBSERVATIONS OF MANAGEMENT
DEVELOPMENT
AND THE APPLICATION OF THEORY**

PART II

**OBSERVATION OF MANAGEMENT
DEVELOPMENT
WITHIN THE LIFE ASSURANCE
INDUSTRY**

PART II

5.3 OBSERVATION OF MANAGEMENT DEVELOPMENT WITHIN THE LIFE ASSURANCE INDUSTRY

5.3.1 Organisational units responsible for Management Development within the Life Assurance Industry.

Management Development in the Life Assurance Industry is typically carried out by:

- a Human Resource function
- the individual manager's own section
- external institutions, and
- diverse units

The development offered by these units may stem directly or indirectly from their own functioning or as a result of mutual interaction between the units.

(A) The Human Resource function

All organisations within the Life Assurance Industry have well developed Human Resource functions. A certain responsibility rests on the Human Resource function, due to its unique positioning, privileged overall organisational picture and specialised knowledge to support the Management Development process and to educate

the role players. Verlander (1990) describes this role as an integrating business role which facilitates organisational learning. The least that the Human Resource function can do is to oversee the Management Development process.

Their unique position makes them ideal to assist in aligning the Management Development Programme to other organisations plans, policies and systems (Smith, 1992)

The cost effectiveness of Management Development serves as an important motivator to encourage a more active role by the Human Resource function (Verlander, 1990). The Human Resource function is deemed by the role players to possess the necessary expertise (knowledge, skills and disciplines) to fulfil peoples expectations of Management Development. It is through the application of this expertise that they can reduce costs by minimising duplication. The unique leverage of the Human Resource function can bridge the gap between people (social) issues and skills (the business issues), thus making the Human Resource function's role one of the most important to play in Management Development. The Human Resource function should in fact promote the development of managers.

It is therefore important that the Human Resource function understands what benefits the participants hope to achieve from the Management Development Programme (Arikin, 1993). Arkin (1993) says that this understanding can be achieved by talking to line

management. They are after all the ones who constantly update and adjust the Management Development Programme to keep it on track with business changes (the organisation's purpose and direction), social and demographical demands and the latest theoretical developments, to ensure that it adds value to the organisation (Smith, 1992)

Mc Quigg-Martinetz and Sutton (1990) suggests that the Human Resource function uses a questionnaire to independently assess if the Management Development Programme is being carried out as it was designed to.

The Human Resource function personnel may also act as facilitators, ensuring the smooth running of the Management Development Programme, thus assisting in maximising the benefits of Management Development.

The Human Resource function can be divided into two main groups with regard to its Management Development role:

(a) Individual Development

The first is somewhat of a more static role, being the role of trainer. This involves developing individuals on request by following predetermined in-house training courses. These courses are offered to all individuals in that organisation, based on the individual's needs and those of the organisation. They are therefore generic in nature. According to a particular Life Assurance

Company's training brochure, courses range from the Dale Carnegie Management Course to language courses.

(b) Organisational Development

The next role is a more active role, of Organisational Developer. The Organisational Development function is primarily concerned with the organisation as a whole (as opposed to individuals). The Organisational Development function conducts investigations of organisational design and group performance. Based on the findings of these investigations, the Organisational Development function initiates intervention actions to improve organisational goal attainment. Such intervention actions include a wide array of actions. An example of such an action may be the restructuring of a business unit to remove structural obstacles hindering communication.

It is of course most likely that an intervention action could lead to the development of a manager (or group of managers). Alternatively it may be required that a manager first be developed (as in the case of Leadership Development). Improved performance flows from the development. Management Development is a tool which can be used by Organisational Development Consultants to attain improved group performance. The following differences between a Trainer and an Organisational Development Consultant became apparent during an interview with an Organisational Development Consultant:

(i) Control

A Trainer has positional power while an Organisational Development Consultant is merely a facilitator or a catalyst.

(ii) Content and process

A Trainer focuses on the content while an Organisational Development Consultant focusses on the process.

(iii) Needs

The Trainer focuses on the individual's needs, while the Organisational Development Consultant focuses on a groups needs.

Once again, the purpose of highlighting these differences is not to hold one function above the other but rather to facilitate a better understanding of the roles played by both so as to encourage optimal resource usage.

(B) The individual manager's section

It is in the environment in which the manager functions, that the application of the development is required. This environment poses the acid test, which determines the worth (and therefore future usage) of the Management Development Programme. In some instances it may be this very section which requests Management Development. Management Development, which is typically conducted by the manager's section, is normally aimed at improving the manager's technical skills. Such development is usually achieved by on the job coaching or special assignments.

Furthermore, the individual manager's section can learn a lot about the overall strength of the section by analysing the different Management Development needs of its individual managers (Anfuso, 1994).

An overview of the individual Management Development Programmes can also provide the section with valuable insights to assist in career advancements.

It would be impractical to expect the Human Resource function to have a career plan for each manager. It will therefore depend largely on how each individual manager moves through the systems in the organisation.

(C) External Institutions

External institutions do not form part of the organisation. They can however be seen as an extension of the organisation functioning. In order for actions to be regarded as Management Development actions they must, per definition, originate from within the organisation. Therefore a graduate course offered by a tertiary institution does not fall into the Manager Development definition just because it could possibly develop a manager. In order for it to be regarded as Management Development it must form part of one of the formal steps of the Management Development Programme. In such a case it will most likely be a mutually agreed intervention action.

External institutions can therefore not be totally dismissed from Management Development. They can be a means to an end.

There may also be distinct cost advantages in supplementing an in-house Management Development Programme with External sources (Schwartz, 1980).

(D) Diverse Units

Diverse units include all these units which (as a formal part of the Management Development Programme) develop managers. As an example: a particular manager needs to learn about working together as team. This need was determined as part of the Management Development process. A particularly good way for the manager to learn this would be as part of a sports team. The

manager and his Management Development co-ordinator agree that the best intervention action would be if the manager joined the organisation's soccer team. At the end of the season they will re-assess his progress. Schwartz (1980) anything which was designed to improve a manager should be included in the Management Development Programme. The emphasis is therefore on the purpose of using a particular activity. Schwartz (1980) says that the overall motivator should be improved results.

Diverse units can therefore as in the case of external institutions not be totally disregarded. The fact that they may be used as a development tool determines their inclusion and not their level of sophistication. The importance of such diverse units may be debatable and the contribution made to a manager's development should be gauged in the light of each individual development need.

5.3.2 Management Development needs of the Life Assurance Industry

(a) General

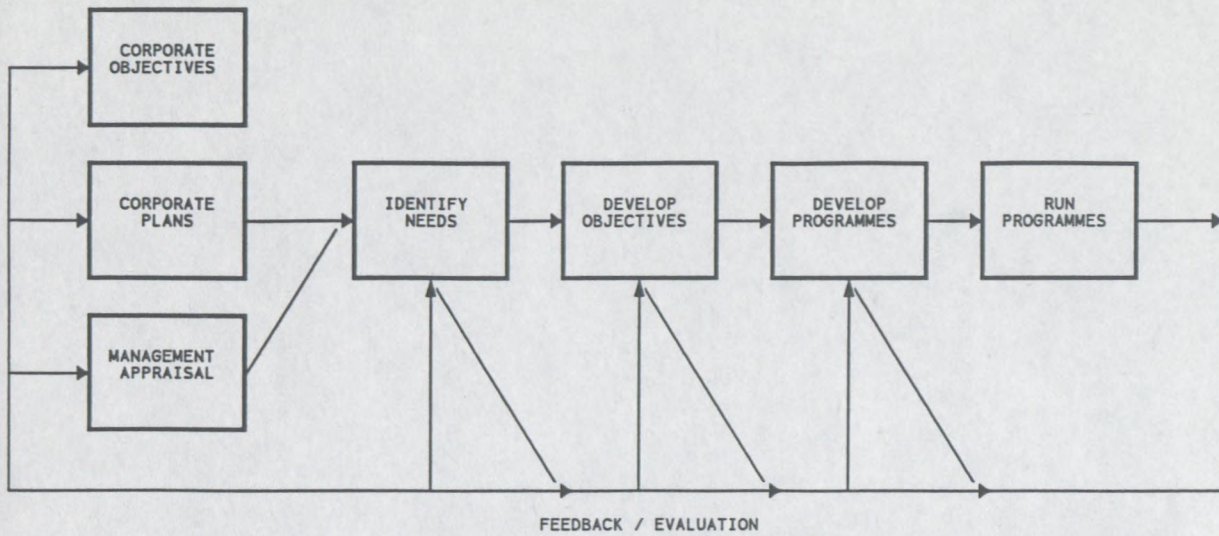
No matter how skilled managers/leaders may be, they all require development because they all have shortcomings. (Kizilos, 1991). Notwithstanding this fact, Management Development can only be justified through a thorough analysis (Barth, 1992). The design of a Management Development Programme should therefore be based on a needs assessment. The emphasis should be on future business needs (Smith, 1992).

According to Ashton et al's (1975) Informational framework for Management Development (figure 1), the first step in the Management Development process lies prior to the identification of needs. They stress the fact that Management Development needs originate from a source such as the organisation's plans and objectives or appraisals of management. These are the subsystems which diagnose the Management Development need.

INFORMATION FRAMEWORK FOR MANAGEMENT DEVELOPMENT:

FIGURE: 1

(Ashton, Easterby - Smith & Irvine, 1975)



Applying this concept to the Life Assurance Industry, whilst considering the previously mentioned concept of attempting to balance the organisational and individual's needs, the origins of the Life Assurance Industry's Management Development needs were identified. Figure 2 is a diagrammatical representation of these origins.

There appear to be four areas of importance, namely:

- the strategic planning process
- the organisational design
- the flow of work
- the individual/group performance

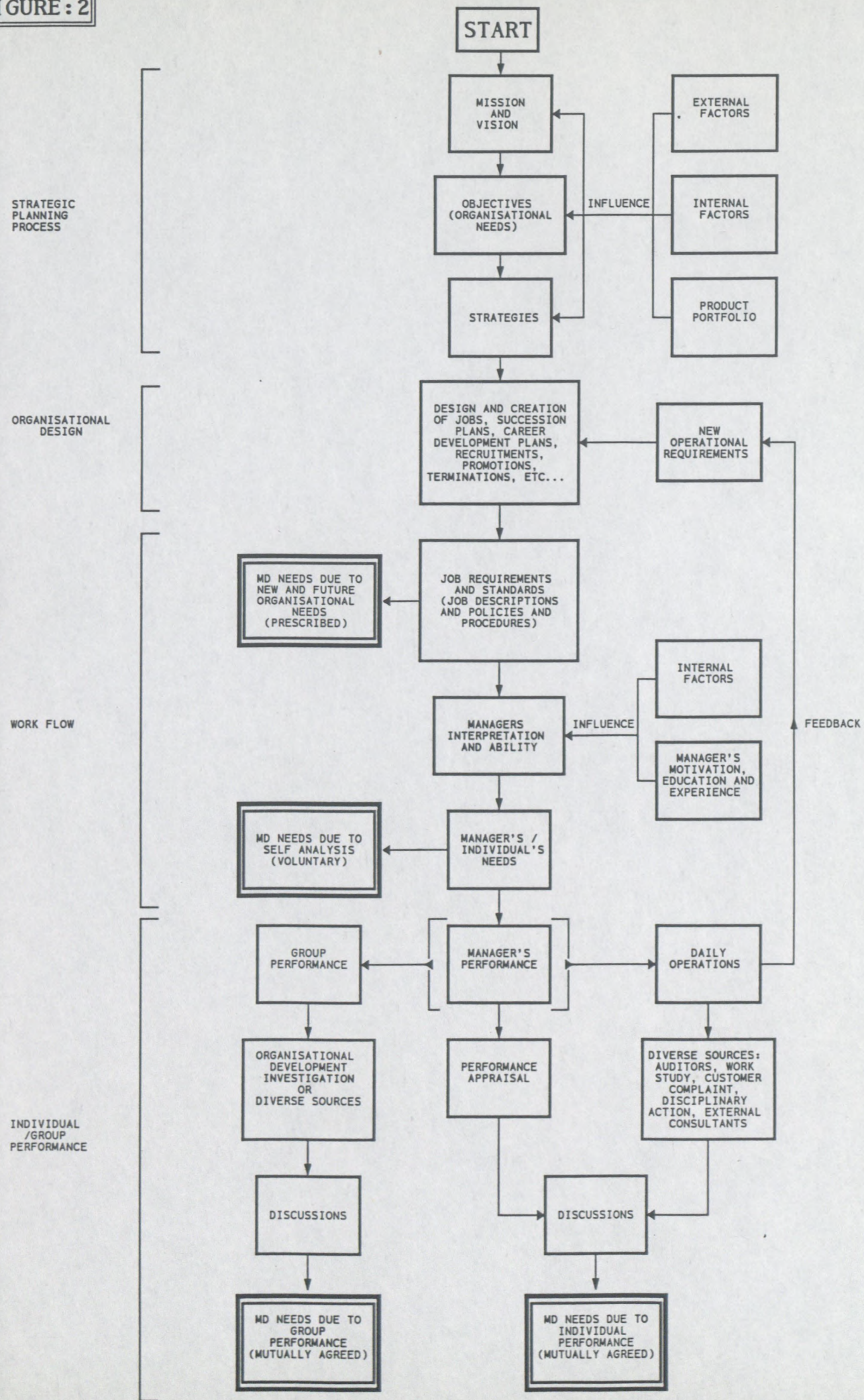
These will be discussed at some length in the piece that follows.

(b) The strategic planning process

The strategic planning process, however informal, is the starting point of any business.

THE ORIGINS OF LIFE ASSURERS' MANAGEMENT DEVELOPMENT NEEDS:

FIGURE: 2



It is a managerial plan for running the organisation, the extent of which will depend on the nature and size of the organisation. Once established it is revised periodically.

The first step in the strategic planning process is the setting of a mission and a vision.

The mission of an organisation outlines what Management thinks the purpose of the organisation is and what it will become. It tells us what business we are in, why we are in business and in which business we will be in.

The mission and vision are then translated into specific, obtainable long and short term objectives. These objectives represent the organisation's needs.

Strategies are then crafted to provide an overall action plan by which the organisation will utilise its resources and skills, within an environment subject to opportunities and risks, for the ultimate attainment of the objectives and organisational needs.

The strategies are clear statements which inspire the persual of the organisation's future and current goals (Smith, 1992).

The strategic planning process is subject to the influence of the opportunities and threats of the external environment and the strengths and weaknesses of the internal environment as well as the relative strength of the organisation's product portfolio. The greatest influence of the environment is on the organisation's ability to achieve its strategic objectives (the organisation's needs.)

Important elements in the external environment are:

- customers
- creditors
- markets

- suppliers and resources
- technologies
- the economy
- the political situation
- government regulations and the legal system
- social and demographical aspects
- environmental (green) aspects

Some important elements in the internal environment are:

- organisational culture and climate
- leadership and management styles
- availability and relative strengths of resource (human, financial, informational, etc...)
- degree of strategic planning
- geographic location
- hygiene factors (lighting, dust, noise levels, etc...)
- degree of unionisation

Some important points concerning the product portfolio are:

- degree of market share
- relative strength of competitors
- product life cycles
- availability of replacement products

The strategies of the organisation have to be in line with the current strengths and weaknesses of the product portfolio to ensure long term survival of the organisation.

(e) The organisational design

Organisations are designed to support their chosen strategic direction. In developing the organisational design a variety of activities are required to realise these strategies:

- jobs will have to be created and designed
- hierarchies to be set in place
- human resource plans (such as succession plans, career development plans, etc....) will have to be designed and implemented
- staff will have to be recruited, trained and promoted or even dismissed.

The strategic direction is the overall or long term organisational direction (Smith, 1992), the pursuance of which may be seen in daily operations.

In the execution of these daily operations, new operational requirements (such as additional staff and/or new skills) may arise.

The daily operations (although always in the general strategic direction) can therefore, through new operational requirements, influence the organisational design.

(f) Work flow

The design of the organisation (as displayed in the design of the jobs and human resource plans) determines the requirements and standards of jobs.

The job requirements and standards are formally laid out in job descriptions and in the policies and procedures of the organisation. These provide a list of the skills required and tasks to be performed.

These job requirements and standards result in the first type of Management Development needs within the Life Assurance Industry, namely: Management Development needs due to new and future organisational needs.

"Future" refers to the long term and is therefore concerned mainly with strategic Management Development needs, while "new" refers to the short term and is therefore mainly concerned with operational Management Development needs. These Management Development needs are determined by the organisation (not the individual) and are prescribed to the individual.

It is one thing for an organisation to have a vision and a mission stating where it wants to go, but does it have the managers to take it there (Hambrick, et al., 1989)?

The Management Development Programme is the vehicle which can assist the organisation to reach its end destination.

It is in this regard that Linowers and Dixon (1992) view Management Development as being vital to the progress of the organisation.

The origin of these new and future organisational Management Development needs therefore is:

- the strategic planning process with its influence on the organisational design and
- the work flow as captured in daily operation's influence on the organisational design.

The abovementioned job requirements and standards are interpreted by the individual managers in terms of the degree of difficulty and skills required. The manager must understand the behaviour the organisation requires and engage in the appropriate

reasoning process to determine if he can perform to the desired standard or not. This must happen before he can realise that a Management Development need exists (if he lacks the required skills) and therefore before he can react to this need and attempt to satisfy it.

The required standard is actually the manager's interpretation of the demand of the work flow. Koontz et al (1981) talks about comparing actual performance to the required performance.

The manager's interpretation and consequential conclusion as to his ability to perform to the required standard is subject to the influence of his own motivational levels, moral convictions, peer and cultural influence, education and experience, as well as the internal environmental factors (as discussed under the strategic planning process).

The individual manager may decide that he does not possess the required skills and knowledge to perform to the required standard. This need for development (whether the manager has taken cognisance of it or not) constitutes the individual's needs. The manager (individual) may, depending on his interpretations adopt a reward - seeking, punishment - avoiding behaviour and attempt to satisfy these needs and develop himself or alternatively continue to perform at his current level of competence.

This results in the Life Assurance Industry's second type of Management Development needs, namely: Management Development due to own discretion. The nature of this development need is entirely voluntary.

The manager may, for example, enrol for an external course or request that he receives internal training or that he be given a particular assignment to develop him so that he will be able to perform to the required standard.

Should the manager make use of an internal source to satisfy this Management Development need, it will be important for the trainer

to understand which cultural and other factors have influenced the manager in his decision. Failure to do so could reduce the effectiveness of the learning process. (Arkin, 1993).

The origin of this Management Development need is the organisational design as reflected in the manager's interpretation of the work flow and analysis of his own ability to perform to the required standard.

Ultimately the origin of the first two Management Development needs is the flow of work. The only reason for the differentiation is the fact that the first is an organisational need and is prescribed and that the second is an individual's need and is voluntary.

(g) Individual/Group performance

Once the manager has interpreted his ability, he performs the required tasks. The sum of the individual managers' performances constitutes the group managerial performance as it occurs in the daily operations.

These daily operations can (as discussed under organisational design) result in new operational requirements. Attainment of these new operational requirements is achieved in the redesign of aspects of the organisation and eventually filters from the previously discussed Management Development needs to new and future organisational needs.

The individual manager's performance is periodically reviewed through the use of a particular performance appraisal system. The performance appraisal system informs the manager as to the level of his performance. For the organisation, it informs not only of the strengths and weaknesses of its managers, but also of the aspirations of its managers. (Ashton et al, 1975).

From the performance appraisal and resultant discussions with the manager, certain development needs may be identified (Schonfield, 1992).

These needs are the Management Development needs as identified by the individual manager's sector, subject to the guidance of the Human Resource function's Individual Evaluation Specialists.

Performance appraisal is not the only method by which to evaluate the individual manager's performance. Diverse functions and sources such as the evaluations performed by consultants, auditors, work study groups or even disciplinary committees and internal and external customer complaints (Kizilos, 1991) may indirectly identify Management Development needs based on the individual manager's performance.

The Management Development needs identified through both the performance appraisal system and other diverse sources, represent the third type of Management Development needs within the Life Assurance Industry, namely: Management Development needs due to individual performance.

These Management Development needs are ideally mutually agreed upon by the individual manager and the organisation. The individual manager may or may not accept these Management Development needs. To ensure commitment to the Management Development process however, it is required that both parties understand and agree to the Management Development needs. These needs are therefore a combination of the organisation's and individual manager's Management Development needs.

The origin of these Management Development needs lies in the flow of work as demonstrated in the individual manager's performance subject to the influence of the organisational design and the manager's own ability.

Group performance (which is also strongly influenced by the organisational design) is evaluated by the Organisational development function (and in some cases indirectly by other diverse sources).

This organisational development investigation (which, in terms of Management Development, is basically a management appraisal on an organisational level) may identify the fourth and final type of Management Development needs within the Life Assurance Industry, namely: Management Development needs due to group managerial performance.

These needs tell us of the strengths, weaknesses and aspirations of the total Management function. They too are prescribed to the group of managers and are a combination of the organisation's needs and the sum of the individual manager's needs. The origin of these group performance Management Development needs lies in the flow of work as demonstrated in the group's performance and is influenced by the organisational design and by the group's ability to perform to the required standard.

(h) Conclusion

As highlighted in the literature study two basic categories of Management Development needs exist, namely organisational and individuals' Management Development needs. It is however important to understand all variations and combinations of Management Development needs stemming from these two broad categories. In analysing Management Development needs it is important to adopt an individual/organisational performance change approach. This involves considering:

- what the need is?
- where do we want to go?
- what are the key levers to achieve this?

**OBSERVATIONS OF MANAGEMENT
DEVELOPMENT
AND THE APPLICATION FO THEORY**

PART III

**THE MANAGEMENT DEVELOPMENT
MODEL**

PART III

5.4 THE MANAGEMENT DEVELOPMENT MODEL

5.4.1 General

The basis for developing the Management Development Model has been the integration of elements identified in the literature study with elements from the study of Management Development within the Life Assurance Industry as viewed within the context of Ashton, Easterby-Smith & Irvine's (1975) Informational framework for Management Development (figure : 1). Figure 3 shows a suggested Management Development Model for the Life Assurance Industry.

5.4.2 The identification of Management Development needs

The Management Development process is initiated at the origins of the Management Development needs (Ashton et al, 1975). The origins of the Life Assurance Industry's needs were discussed in detail under section 5.3.2. These origins gave rise to four categories of Management Development needs (also discussed under 5.3.2) namely:

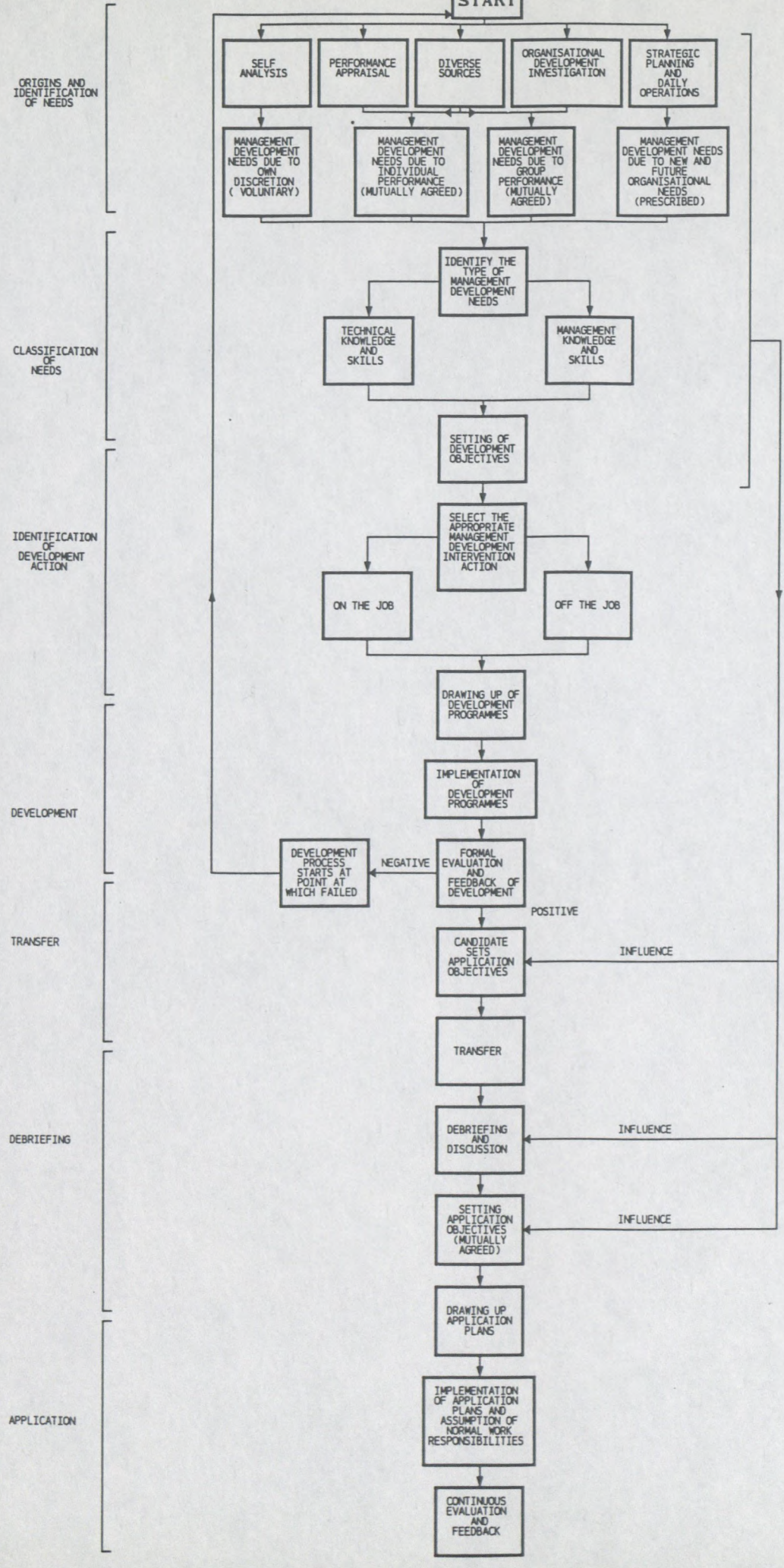
- Management Development needs due to new and future organisational needs (prescribed)
- Management Development needs due to own discretion (voluntary)
- Management Development needs due to individual performance (mutually agreed)
- Management Development needs due to group performance (mutually agreed)

These four categories of Management Development needs require either technical or managerial knowledge and skills to be satisfied.

The specific Management Development need should be evaluated to determine if it is a technical or managerial type knowledge or skill need.

A MANAGEMENT DEVELOPMENT MODEL FOR THE LIFE ASSURANCE INDUSTRY:

FIGURE 3



Technical type knowledge and skills are knowledge and skills which assist the manager or group of managers directly in the performance of the tasks for which they were employed. Examples may be: Methods, formulae, theories and facts specific to their field.

Managerial type knowledge and skills are knowledge and skills which assist the manager in:

- planning
- organising people and tasks
- communicating effectively (oral and written)
- directly and leading

The determining of the nature of the Management Development need becomes vital when selecting a development intervention action. If more than one Management Development need exists, then they should be handled independently of each other.

5.4.3 Setting of development objectives

(i) General

As established in the discussion of the origins of Management Development needs, these needs may arise voluntarily from the individual or as a result of an interaction between the individual/group and another party (for example: the individual's senior during a performance appraisal.)

No programme should be executed without knowing what the objectives of the programmes are. (Hays, 1985).

These objectives should be clear and concise and all parties involved in the development process should understand them. (Hays, 1985).

Objectives can be set by the individual himself or as a result of mutual agreement (Dodge, 1989) between the individual and the

prescribing/evaluating party. Objectives are statements of what is to be achieved by the individual manager or group of managers. These objectives should instil ownership and should be seen as our objectives rather than those of top management or of the organisation (Hays, 1985).

Managers must have a say in formulating these objectives in order for them to commit to them. (Hays, 1985). But by getting all relevant parties included will ensure consensus and continuity. Hays (1985) says that this will have a synergistic reinforcement effect.

Ideal objectives of a Management Development Programme balance the needs and objectives of both the organisation and the individual (Dodge, 1989) These objectives are set keeping in mind the original Management Development need (Dodge, 1989)

In essence this is the stage of the larger Management Development process when the Management Development process formally starts. The first stage of the Management Development Programme is therefore the setting of standards or the defining of the desired state to be achieved - otherwise known as the objectives of the Management Development Programme (Conboy and Godfrey, 1988).

These objectives assist in retaining focus throughout the Management Development process.

(ii) Primary and secondary objectives

There are two levels of objectives:

The primary objective would be to satisfy the Management Development need. Secondary objectives are those objectives that have to be achieved so that the primary objective can be achieved.

The measurement of the primary objective during the Management Development Programme (feedback and evaluation stage) remains a subjective opinion as to whether or not the development will result

in the satisfaction of the Management Development need. The attainment of the primary objective will occur once the newly acquired skills have been applied in the greater Management Development process which culminates in the daily operations.

The Management Development needs were highlighted by the normal operations and therefore will only be successfully tested by the same questions which originally highlighted the need. This point will be discussed in detail under the application's continuous evaluation and feedback.

Primary objectives may be stated by defining the knowledge, skills, attitudes or even position which is intended to be acquired through the Management Development Programme (Dodge, 1989).

The secondary objectives are a lot easier to evaluate. Their successful attainment is typically marked by the completion of a training activity. The secondary objectives are therefore primarily concerned with those objectives which should be accomplished in order to successfully complete the development activity.

(iii) Setting objectives

When setting objectives it is important to personalise the objectives and thereby create ownership. Ownership is a key factor in obtaining commitment to the objectives. Candidates must assume personal and primary responsibility for attaining the objectives (Dodge, 1989). It is this primary responsibility which increases the probability that candidates will retain and later utilise (in the job environment) their newly acquired knowledge, skills and disciplines.

Prior to setting the objectives it is necessary to state the original condition which gave rise to the Management Development need. It is important that this condition remain foremost in the minds of the parties to the development process when setting the objectives to ensure that it will be satisfied.

This condition may be divided further to determine the nature of the need (technical or managerial). It is also important to keep the

candidates responsibilities and strengths and weaknesses in mind when setting the objectives (Anfuso, 1994).

Objectives can include a summary of the desired state to be achieved, a statement of responsibilities and time periods. It is also important that objectives be, as far as possible, linked to operational specifications (Fitzgerald, 1992). This gives the role players a quantitative or a qualitative base by which to measure results. It also makes the objectives more realistic (Hurley and Cunningham, 1993).

The importance of informal indicators, such as group norms, organisational policies and the individual manager and their supervisors attitudes, should not be ignored during the objective setting process. Objectives are set as a result of discussions between the candidate and his superior. It is imperative that these objectives be mutually agreed upon to ensure commitment (Anfuso, 1994).

(iv) Incentives

Commitment to the objective can furthermore be obtained by having the proper incentives in place (extrinsic motivators). While intrinsic motivators may be ideal, there cannot always be relied on individual managers' own intrinsic motivators as these people often enough prove to be an exception.

The incentives should however be linked to the successful application of the newly acquired skills, rather than the completion of the Management Development Programme. For example : If the Management Development need is to be satisfied by applying knowledge and skills obtained from a degree, then the incentive should not be linked to graduation, but rather to the individual manager's improved performance resulting from the correct application of knowledge retained. Incentives should therefore be part of the normal operations' incentives, once again stressing the fact that Management Development is part of the normal operations, relying on existing organisational systems and functions. These

incentives pose the link between the primary objective and normal operations.

5.4.4 The identification of the appropriate development activity

Once the objectives have been set (what is to be achieved), the best method of achieving these objectives should be selected (Stoner, 1989). The development action is the activity which, will equip the manager or group of managers with the skills which, once implemented, will result in the satisfaction of their Management Development needs. These development actions can be initiated while the individual/group is "on-the-job" or "off-the-job". Examples of such development are:

(a) Off-the-job

- Attendance of courses offered by tertiary institutions such as Technikons and Universities
- Attendance of lectures, conferences and seminars offered by external training consultants and professional bodies.
- In-house classroom teaching and training courses
- Role plays
- Business games
- Case studies
- Simulation
- Discussion groups
- Selected readings

(b) On-the-job

- Coaching

- Job rotation
- Trainee positions under a supervising manager
- Planned work assignments

A Human Resource Consultant can assist in the identification of the most applicable intervention action to ensure the satisfaction of the Management Development Need (Hambrick et al, 1989).

When considering the appropriate development activity it should be considered if the selected activity satisfies the Management Development need and to what extent other activities could do the same, with more productive results. A detailed analysis of the individual's/group's character and structure will have to be conducted. The candidate's motivational levels and learning abilities should also be evaluated (Dodge, 1989). Factors such as career life cycles, staff turn-over and the particular candidate's remuneration and responsibility will have to be considered.

Furthermore the direct cost of the development activity as well as the indirect cost resulting from a loss of productivity, or from a disruption will have to be considered. Furthermore not only should the activity to be used be considered, but also to what extent it should be used. For example: How much return in productivity will justify developing a person nearing retirement? Possibly a 20% increase in productivity will justify a 50% development.

A further example to illustrate the point that certain instances do not warrant indefinite development may be the following: It is highly unlikely that a first-line manager's position could justify a MBA qualification. Candidates may believe that they themselves could utilise the increased skills, but this would probably not be in line with the organisation's design and remuneration schemes. Few organisations have career plans for their top management, least of all for their lower level managers. This would prove to be impractical and create unrealistic worker expectations.

While a certain margin of flexibility exists the Management Development Programme should ultimately fit the needs of the organisation to warrant its existence.

Care should also be taken to ensure that the development action is not too theoretical. The development action should be relevant and meaningful to the candidate. A practical and participative development action will ensure better participation and therefore recall and transfer back to the work environment (Hays, 1985).

To further prevent the development action from being ineffective, care should be taken to ensure that the instruction will be of high quality. The instructor should be familiar with the candidate's job. This will ensure the correct use of terminology and help to make examples relevant (Hays, 1985). The relevance of the content is directly proportionate to the success of the Management Development Programme. Irrelevant content will not be transferred to the work environment (Cohn, 1988). Consideration will also have to be given to ensure that the required resources will be available when required (Hays, 1985).

5.4.5 Drafting Development Programmes

Programmes are the plans of action which provide guidelines of how to implement the selected development action so as to satisfy the objectives.

Programmes stipulate:

- the exact steps to be taken
- by whom these steps are to be taken (responsibilities), and
- when they are to be taken (due dates).

These programmes may themselves have specific objectives to be achieved.

It is important that both parties (the organisation and candidates) should know and understand that Management Development is a long term activity, that it requires much planning and that results will not be immediate - certainly not at the end of the Management Development Programme. The problem with the realisation of results lies not in the Management Development Programme, but is rather inherent to the learning process.

Management Development should therefore not be viewed over the short term, but rather over the period in which the results will realistically be seen. A key distinction to be made is the difference between the Management Development Programme and the Management Development process. The programme is merely a short term instrument, the execution of which will result in the attainment of results over the entire Management Development process.

It is difficult to pinpoint an end to the Management Development process. Once again many determinants lie within the learning, recall and reinforcement processes. It is therefore important to ensure that the correct perceptions exist with regard to the Management Development process otherwise the parties to the process will desert it and write it off as a failure (due to insufficient visible short term results).

Some assistance to the creation of corroborating perceptions with the Management Development process lies within the Management Development Programme itself. Although these perceptions should ideally be created early in the Management Development process it is in the transfer process that they become critical. This point will be discussed in some detail later.

5.4.6 Implementation of development programmes

Implementation involves executing the programmes by the candidate (Dodge, 1989). This is achieved by the actual carrying out of the selected development action (for example: attending the planned courses or taking up a new position) according to the specifications laid out in the programmes.

Barth (1992) regards the means used to communicate the need for development or to build commitment and to apply resources as being more important to the successful implementation of the Management Development Programme than the individual components of the programme. In terms of this belief, candidates will be very interested to know how it was decided that they require development and what the consequences will be if they do not participate.

The importance of obtaining commitment and setting the correct tone in the proceeding steps of the Management Development Programme now becomes apparent during the implementation stage. If this commitment was not obtained the programme will not be properly implemented.

As was in the case of setting objectives, getting the candidate to assume primary responsibility for implementation, is vital to the success of the Management Development Programme (Dodge, 1989), once again enforcing the concept of ownership to the candidate. The underlying reason here is Verlander's (1990) sentiments that the creation of ownership for the Management Development Programme, is more likely to result in the candidate retaining the development and in so doing increasing the probability of applying the development back on the job.

5.4.7 Evaluation and feedback of development

(i) Rationale

This is possibly the single most important step in the Management Development process. Without it, there is no way of establishing whether the Management Development needs have been satisfied or not. Gerber et al (1987) use the example of a person trying to lose weight. Without weighing before and after the weight reduction programme, there will be no means of assessing the success or failure of the programme.

(ii) Method

Gerber et al (1987) suggests that the candidate and his sponsor should, prior to the implementation of the intervention action, agree

to the standards against which the success of the Management Development Programme will be measured and then build them into the programme. They suggest that objectives be quantified and that the evaluation occurs over time based on a uniform objective measurement method which will be effective over the period of time over which the result will be seen. Gerber et al (1987) regard poor evaluation as the reason why Management Development is regarded as a waste of time and money.

(iii) Measurement

None of the steps in the Management Development process occur in isolation. There is continuous evaluation and feedback between steps. The influence which the different activities and steps have on each other, ensures that the process proceeds according to plan.

The evaluation and feedback of the development is a formal step. During the Development Process the candidate and his promoter attempt to determine if the Management Development needs are being addressed (Dodge, 1989)

After the development activity has been completed, they attempt to determine if the knowledge and skills were acquired and if they were relevant or not (Gooding, 1988).

Determining the success of development remains however difficult to establish (Thomas, 1988). This involves an after-the-fact measurement of the individual/group to establish if the development action has satisfied the Management Development need. During the setting of development objectives two levels of objectives were set. In this formal evaluation the candidate and his sponsor/co-ordinator evaluate the candidate's performance during the execution of the Development Programme as rated against the secondary objectives and formulate their opinion as to the future (during the application stage) attainment of the primary objective, always remembering (as stated earlier) that the measurement of the primary objective's attainment will be measured by the normal operations.

Should the secondary objective's results be positive the development process will stop until another Management Development need arises. Alternatively, should the results have been negative an evaluation of the process should occur to determine at which point it failed. The process should be resumed at this point taking care to ensure its success this time. This should continue until the results are positive and as long as the process remains cost efficient.

(iv) Analysis

It is important when evaluating the effectiveness of the Management Development Programme to consider all relevant factors and conditions which may have affected the programme (Kirkpatrick, 1985). Even if the primary objective (for example improved managerial motivation - development of the correct attitudes) has been achieved, it is important to consider why it was achieved. Was it due to the Management Development Programme or was it due to another factor (for example improved working conditions, pay, etc...)?

Furthermore the discussions should attempt not only to identify which objectives have been achieved and which not, but why they have or have not been achieved. The reason for wanting to identify why they have not been achieved is so that the appropriate steps may be taken to rectify the matter. If on the other hand the objectives were achieved surely so much more can be achieved (through positive reinforcement that is) by reflecting on why the development was successful. Some may be of the opinion that the achievement of the objective in itself should be reinforcement enough. This will at least enforce ownership which, according to Verlander (1990), will increase the probability of recall and therefore the probability of applying the development in the work place. The ideal of course is to use this as an opportunity to instil a long term pro-Management Development climate. This may also (through the positive reinforcement) be an ideal time to sell the concept of continued Management education (where necessary). Only a

Management Development Programme which actually satisfies its needs will continue over the long term (Hays, 1985).

Finally, the discussion should also consider any additional Management Development needs, which may have come to light as a result of the Management Development Programme. This may involve negotiating new development objectives and engaging in a new Management Development Programme. The merits of these new Management Development needs will have to be evaluated in their own light as all other Management Development needs are evaluated. Should they be accepted, the Management Development process will begin again for those needs.

5.4.8 Transfer

Stoner (1989) regards the return of a candidate to the work place as the greatest challenge of the Management Development process. The transfer process is the process which brings the development back into the work place. The Management Development Programme does not end once the development action has been completed. It ends once the development action has been successfully implemented in the work environment and the desired results are being achieved. Even then it is debatable if the development process has ended as reinforcement occurs through recall and application throughout the managers career at the organisation. Management Development Programmes should therefore contain mechanisms to ensure that the development is transferred back to the work environment (Kruger and May, 1985). During the Feedback and Evaluation stage the candidate and his promoter determined that the objectives of the development had been accomplished.

Before the candidate can be transferred back to the work environment it is essential that they draft preliminary objectives and a plan of action of how they anticipate applying what they have learnt in the workplace now and in the future (Whitmire and Nienstedt, 1991). In the event of an on-the-job development action this should be done before the candidate's normal work responsibilities are assumed. This transfer summary allows the candidate to formally prepare for the debriefing.

This will allow the candidate to anticipate questions and formulate possible options.

Such preparation will place the candidate's ability and the Management Development process in a favourable light with the candidate's peers and superiors back in the work environment, therefore increasing the probability of acceptance and resultant change back in the candidate's normal working environment. Not only will short term benefits be obtained, but over the long term the Management Development process will be looked upon more favourably, therefore once again creating a cultural foundation for Management Development.

5.4.9 Debriefing

The debriefing stage is the stage in which the manager is received back into the work environment. This is a process which collectively focuses expectations to maximise the benefits of the Management Development process. Verlander (1990) suggests that the manager, his immediate superior and possibly the Management Development Programme co-ordinator should, before the manager's usual daily stresses resume, discuss the results of the development process. The discussion should cover the content of the Management Development Programme (including its strengths and weaknesses), what was learnt and possible applications. Weaknesses should be considered in future Management Development Programmes so as to minimise inefficiency.

Identified applications should cover direct applications on the immediate work environment as well as spin-offs on for example the manager's career. This debriefing may be the ultimate test of top Management's commitment to the Management Development process. It is one thing to allow managers to attend Management Development Programmes, but it is another to collectively devise changes through the candidate's new knowledge, experience and attitudes towards the ultimate more effective attainment of organisational goals.

5.4.10 Setting application objectives

Theory and practice should go hand in hand. Newly acquired development theory should be applied into practice (Koontz, 1981).

This is the stage where the development process becomes less abstract. This is the stage where the organisation can (within reason) demand its pound of flesh. This is where the rewards become visible.

The objectives bear the same generic characteristics as those discussed under Development objectives. The only difference is that these objectives form part of the normal operating objectives, thus bringing the Management Development process right into the work environment. Management Development should be integrated into the managerial process (Koontz, 1981). These objectives are statements of what is desired to be achieved in the daily operations through the application of the development. In many cases they may be more specified versions of the primary objective, i.e. that is the satisfaction of the Management Development need and any additional applications which may have come to light resulting in the ultimate attainment of rewards by both parties (the individual and the organisation).

5.4.11 Drawing up application plans

Once the objectives have been set, plans (strategic, tactical or operational, depending on the nature of change/application required) should be devised. Smith (1985) says that upon the return of the candidate to the work place, the candidate and his superior should draw up plans which will allow the candidate to apply the training in the work place. These plans should define the actual steps to be taken to apply the development.

The plans should contain all the elements of a good plan:

- goals
- resource commitments

- responsibilities
- time constraints
- environmental (internal and external) constraints
- alternative methods and contingencies.

Furthermore it should be agreed upon when the final measurement will be taken and how it will be taken, so as to determine if the Management Development Programme was successful or not (Schofield, 1992). Deadlines should be realistic.

5.4.12 Application

This step involves implementing the action plan devised during debriefing. This includes structuring the process (involving a timeless scheduling of resources) and leading (carrying the schedule out) with constant evaluation, feedback and adaption. The most important consideration is not so much the direct application of this particular candidate's development, but rather the forming of attitudes in favour of Management Development. The direct application of the development is (especially if it was a classroom taught activity) normally not as clear as when it was taught, mainly because activities are simplified to facilitate the learning process.

Furthermore the demands of a normal work environment do not usually allow for a controlled release and application back into the work environment. Senge (1990) says that managers spend most of their time putting out fires. Therefore managers are, after their reintroduction into the work environment, left to their own devices. That is why it is of paramount importance that the release process be done correctly, otherwise the Management Development process will not receive its rewards.

5.4.13 Continuous Evaluation and Feedback

By this time the manager is back in the work environment. This is the stage where the primary goal of the Management Development process

is measured. This measurement occurs as a normal part of the daily operations. At this stage the original Management Development need and the development objectives are reconsidered to establish what was to be achieved. The evaluation attempts to determine if the knowledge and skills acquired during the development activity were in fact transferred back into the work environment or not (Gooding, 1988).

The final measurement should preferably be made utilising the same method as that which originally highlighted the Management Development need or the one which was agreed to when the application plans were drawn up. For example: if the Management Development need was identified through a performance evaluation, then another performance evaluation should be conducted to determine if the objectives have been achieved or not. This will help to ensure that, where practically possible, a uniform measurement standard is used.

Another example of a source which could have highlighted a Management Development need is a customer complaint. The manager and their superior should have discussed the accusation and should have mutually agreed that the manager requires development. Once the Management Development Programme has been completed, a discussion would have to be held between the manager and their superior to determine if the Management Development was successful or not. This could lead to subjective evaluations. In this case, the fact that no further complaints were received, would be insufficient to state with reasonable assurance that the development action was successful. A possible solution is to always attempt to use a formal measurement instrument even when the Management Development need was highlighted through an subjective opinion. This would also serve to strengthen the grounds for the development .

It is vitally important to communicate the results of the evaluation to the individual/group undergoing the development whichever measurement method is used. A discussion of the results should be held to obtain commitment and acceptance of the results. As stated earlier Management Development is a process. As long as the manager recalls the development activity and builds on it though reinforcement the development process continues. But for all intensive purposes the

Management Development process stops once the Management Development need has been achieved. This can only be determined at the final evaluation and feedback stage. The follow-up evaluations of the Management Development Programme also provide valuable information to make future Management Development Programmes more effective (Arkin, 1994).

5.4.14 Summary

The Management Development need is typically, once highlighted, discussed between the candidate and his superior. Objectives are set and a plan of action drawn up. This sometimes occurs under the guidance of a Management Development Co-ordinator from a Human Resource function.

The plans are then executed under the guidance of the Management Development co-ordinator or the candidate's superior. Results are discussed and evaluated on completion of the Management Development Programme.

The candidate then draws up expectations of possible applications of the development.

Back in the work place or once full responsibilities have been resumed, the candidate and his superior agree on methods to successfully apply the development. Continued feedback occurs as a result of normal operations. There is therefore throughout the Management Development process a continuous evaluation, setting of expectations, execution, re-evaluation and adjustment. The candidate, from normal operations, is passed between the other parties to the Management Development process and then released back into the normal operations.

CHAPTER 6

**RESULTS : THE MANAGEMENT
DEVELOPMENT PROGRAMME**

AN ILLUSTRATION

6. RESULTS

	PAGE
6.1 OUTLINE OF CHAPTER	
PART 1	
The Management Development Programme : User Manual	
- Introduction	178
- Step I - General	178-181
- Step II - The identification of Management Development needs	179-181
• Source	179
• Definition	180
• Type	180-181
- Step III - Setting of development objectives	181
• Primary objective	181
• Secondary objectives	181
- Step IV - Identification of the appropriate development action	181-182
- Step V - Drafting of Development Programmes	182-183
- Step VI - Implementation	183
- Step VII - Formal evaluation and feedback on development	183-185
- Step VIII - Transfer	185
- Step IX - Debriefing	185-186
	174/...

- Step X - Application objectives	186
- Step XI - Application plans	186-187
- Step XII - Application	188
- Step XIII - Continuous evaluation and feedback	188-189

PART II

NOTE BOOK

- General	191
- Step I - Introduction	191
- Step II - The identification of Management Development needs	191-192
• Source	191
• Definition	191-192
• Type	192
- Step III - Setting development objectives	192-194
• Primary objective	192
• Secondary objectives	193-194
- Step IV - Identification of the appropriate development action	194-195
• On-the-job	194
• Off-the-job	195

- Step V - Drafting Development Programmes	196
- Step VI - Implementation	197
- Step VII - Evaluation and feedback on development	198
- Step VIII - Transfer	199-200
• Application objectives	199-200
• Impressions	200
- Step IX - Debriefing	201
- Step X - Application objectives	202
- Step XI - Application plans	203
- Step XII - Application	204
- Step XIII - Continuous evaluation and feedback	205-206
• Evaluation	205
• Discussion	205
• Conclusion	205-206

NOTE TO THE READER

The piece which follows represents the end product of the research. This is the proposed Management Development Programme for the Life Assurance Industry. It was developed from the information gained from an analysis of the most recent and most respected literature concerning the phenomenon of management and Leadership Development as well as observations of the phenomenon within the Life Insurance Industry.

PART I

THE MANAGEMENT DEVELOPMENT PROGRAMME: USER MANUAL

PART I

6.2 THE MANAGEMENT DEVELOPMENT PROGRAMME : USER MANUAL

6.2.1 Introduction

This programme may be used by any individual or group who require development in order to become managers or to develop further as managers. The programme is commonly used by a manager or a manager and his superior when they feel that a need exists to develop the manager. The process is completed once both parties agree that the objectives (mutually agreed upon) have been achieved.

The programme should ideally be used under the guidance of a Management Development Co-ordinator from the Human Resource function. It is however important to emphasise at this point that Management Development is not the responsibility of the Human Resource function. The Management Development Programme does however carry top management's approval and total commitment. It is vital to the success of the Management Development Process that all parties to the Management Development Process communicate throughout the process.

The Management Development Programme is however only a means to an end. It operates within the larger Management Development process and provides a logical set of instructions by which development can occur.

6.2.2 Step: 1 - General

Instructions

Read through the entire programme, before you begin, to ensure that you understand all the steps. Do not proceed to the next step if you are unclear as to what to do or if you have not completed the step that you were last busy with. Any problems should be taken up with your Management Development Consultant.

If the Management Development need arose from self analysis and if you are completing this programme alone, it is a good idea to nominate a sponsor to assist you through the process. The sponsor can provide you with good independent guidance.

The steps are to be completed either by the individual manager under the guidance of his sponsor (where the request for development arose from self-analysis) or by the individual manager under the supervision of his superior (who originally requested the Management Development). In the latter case, do not proceed with the next step if mutual agreement has not been reached as to what the Management Development need is. Please use the attached note book when completing the instructions.

6.2.3 Step: II - The identification of Management Development needs

(a) Source

The need for Management Development may have arisen from various sources:

- A. The manager or group of managers may decide, based on self-evaluation, that they require development.
- B. An evaluation, investigation or independent opinion may have brought the current performance or future potential performance of the manager or group of managers into question.
- C. New and future organisational needs may require that managers be developed further.

The source of the Management Development need represents the starting point of the Management Development process. The identification of which will be used later in the Management Development process.

Instructions

Mark the most appropriate block in your note book (see page 191) as to what the source of your Management Development need was.

(b) Definition

At this point we define the nature of the Management Development need for example: "I am unable to lead my subordinates effectively."

Each Management Development need should be treated in isolation and a new Management Development Programme drafted for each. For example: should you also require training with regards the latest computer package then this will be taken up under another Management Development Programme.

Instructions

Define in your own words in your work book (see page 191) your particular Management Development need.

(c) Type

The type of knowledge and skills which you require can fall into one of two main groups:

- * Technical (Task): This comprises the knowledge and skills without which you are unable to perform the tasks for which you were employed. Some examples are: Methods, formulae, theories and facts specific to your field.
- * Managerial (Social): This comprises knowledge and skills which assist you in:
 - planning
 - organising people and tasks
 - communicating effectively (oral and written)
 - leading and directing people
 - controlling

Knowledge as to the type of Management Development need is vital to the development action which is chosen later.

Instructions

Mark in your note book (see page 192) the type of knowledge and skills which you require.

6.2.4 Step: III - Setting development objectives

Objectives are statements of what you want to accomplish. There are two levels of objectives:

A. **Primary Objective:** This is the main objective which you want to achieve. Satisfaction of the primary objective will more than likely result in the satisfaction of your Management Development need. Attainment of the primary objective will only be realised at the end of the Management Development process, i.e. once you are back in your work environment and have had a chance to apply your newly acquired knowledge, skills and disciplines.

An example of a primary objective may be: "I wish to lead my subordinates more effectively."

B. **Secondary objectives:** These are the objectives which will have to be achieved before the primary objective can be achieved. For example: "I wish to acquire leadership skills." In some instances there may only be a primary objective.

Instructions

Define your primary development objective and list any possible secondary development objectives in your note book (see page 192 - 193).

6.2.5 Step: IV - Identification of the appropriate development action

The development action is the activity from which you will acquire the necessary skills which, once implemented, will result in the satisfaction

of the Management Development need. Such a development activity may be initiated while you are on the job or away from your job. There may be more than one action which can develop you. Consider all the alternatives and discuss the implications of each with your co-ordinator.

Instructions

Select ,from the list provided in your note book (see page 194 - 195), the activity which will most likely result in the satisfaction of your Management Development need.

6.2.6 Step: V - Drafting Development Programmes

Programmes represent the plan of action. They are guidelines on how to implement the selected development action so as to achieve the objectives.

Programmes stipulate:

- the exact steps to be taken
- by whom these steps are to be taken (responsibilities), and
- when they are to be taken (due dates).

Instructions

List the steps in your note book (see page 196), which have to be completed (to implement the selected development action) in order of priority of completion.

Example : The following steps are an example of steps to be taken to satisfy a secondary objective of obtaining a qualification:

- 1) Enrol at college
- 2) Attend classes
- 3) Write examination

The list of steps should be divided into paragraphs according to the person responsible for the activities. Each paragraph should be headed with the responsible persons name. In the column on the far right-hand side of your page indicate the desired duration of each activity. The final activity to be listed, should be an evaluation to determine if the secondary objectives have been met or not.

6.2.7 Step: VI : Implementation

This is the step where you will carry out the steps as laid out in your Development Programme. The Development Programme should be adapted to accommodate any unforeseen practical problems. Such adaptations should only be done once agreement has been reached between yourself (the candidate) and your Management Development Co-ordinator, as to the nature, extent and consequence of such adaptations.

Instructions

Follow the steps laid out in the Development Programme. (See page 196). Use the space provided in your note book (see page 197) to document any important notes.

6.2.8 Step: VII : Formal Evaluation and Feedback on Development

This is the final step in the Development process. It includes a formal evaluation which compares what was desired (as set out in the secondary objectives) to that which has been achieved (completion of the development action).

It is therefore here where we determine if the secondary objectives have been met or not. Determination of whether the primary objective has been met or not forms part of the normal daily operations and will be conducted at a later stage of this Management Development Programme. At this stage only an opinion is expressed as to whether or not you expect the primary objective to be met or not. These evaluations tend to be largely subjective. For example: You may have completed a particular training course but do you feel that you now possess the

necessary skills originally highlighted by the Management Development need. Keeping in mind (as said before) that the true test comes only once your new skills have been applied in the work place.

Instructions

Together with your Management Development Co-ordinator (a Human Resource Consultant or your superior who initially recommended the development) evaluate whether or not the secondary objectives have been met or not. Alternatively, where the Management Development need arose from self-analysis, this step should still be undertaken to ensure that you yourself, accept the results.

During your discussions refer to your previously defined objectives and attempt to not only determine whether the secondary objectives have been met or not but also why they have been met. Allow sufficient time for reflection.

Document your findings in the space provided in your note book (See page 198). Should you feel that you have achieved the secondary objectives, congratulations, you may now proceed to the next step. Should you however feel that the objectives have not been met, evaluate the entire development process to date so as to identify the point at which the process failed.

Start with the identification of the Management Development need. Discuss each point and proceed only to the next point once consensus has been reached as to its success. Conduct this evaluation of the entire development process even though you may have identified a point of failure as there may be more than one point of failure. Your Human Resource Management Development Consultant has specialised skills to assist you in identifying and solving problems.

Once the point of failure and the reasons for this have been determined, resume the development process at this point, taking care to ensure its success this time. This should be done as long as it remains both practical and cost efficient to do so.

Any new Management Development needs which may have been identified should follow the previous process and not be handled as part of this current Management Development Programme.

6.2.9 Step: VIII : Transfer

This is the stage at which you, the candidate, prepare to assume full work responsibilities once again. It is here that you anticipate how your new skills can best be applied so as to maximise your performance and ultimately contribute to the attainment of the organisation's goals. Possible applications may be less obvious to off-the-job type development actions due to their theoretical nature.

Instructions

- (a) Refer to your primary objective as stated earlier (see page 192) and define in your note book (see page 199) any objectives that you wish to achieve through the application of your new skills in your work environment.
- (b) Briefly summarise your experience with regard to your Management Development process in your note book (see page 200). This summary may assist you in answering any questions once your full work responsibilities resume.

6.2.10 Step: IX - Debriefing

This is the stage when you, the candidate, are received back into the work environment. Before your usual daily stress resumes the results of the development process must be discussed and possible applications considered.

Instructions

Together with your immediate superior and possibly in the presence of your Human Resource Management Development Consultant, discuss the Management Development process to date. Refer to your transfer

summary in your note book (see page 199 - 200). Your discussions should consider:

- the initial Management Development need
- the content of the development action
- possible applications of the development action
- strengths and weaknesses of the Management Development Programme

Summarise your discussions in your note book (see page 201).

6.2.11 Step: X : Application objectives

This is the stage where final objectives are determined as to the desired results to be attained in the normal daily operations through the application of your new skills. These objectives are mutually agreed to by you, the candidate and your immediate superior.

These objectives are closely linked to (if not entirely the same as) your normal operating objectives.

Instructions

Refer to your Debriefing in your note book (see page 201) and determine, together with your superior, your application objectives. List these in your note book. (See page 202).

6.2.12 Step: XI : Application plans

At this stage, plans are drawn up, detailing the steps to be taken to accomplish the application objectives.

These plans may be strategic (long term), tactical (medium term) or operational (short term) depending on the nature of the objectives to be achieved. The plans should consider:

- goals/objectives to be attained

- resources required
- responsibilities
- time constraints (deadlines)
- internal and external environmental constraints
- alternative methods of attaining the results
- cost versus benefits

The compilation of these plans should be part of normal daily operational scheduling and planning processes. Finally your plans should specify when the results are expected to be attained and how these results will be measured.

Deadlines should be realistic and, where practically possible, the same measurement method as that which originally highlighted the Management Development need, should be used to determine if the application yielded the desired results.

This may, once again, involve subjective evaluations. For example: if a customer complaint originally highlighted the Management Development need, it could only be stated with reasonable assurance that the Management Development has been successful, if no further complaints are received. Alternatively, an independent person or method could be employed to evaluate the candidate's performance.

Instructions

Together with your superior, as part of your normal planning, draw up plans by which to accomplish your application objectives. Detail these in your note book (see page 203).

6.2.13 Step: XII : Application

This step involves implementing the action plan. Processes are structured and resources are organised and allocated to daily operational requirements.

Instructions

Carry out the steps of the Application plan (see page 203) making adaptations to counter obstacles where necessary. Document any relevant findings in your note book (see page 204).

6.2.14 Step XIII : Continuous Evaluation and Feedback

This is the stage where attainment of the primary objective (detailed in the application objectives) is measured. Once again (and as specified in the application plans) this measurement is performed as part of the normal daily operations.

It is more than likely that this measurement will occur some time after the completion of the development action and even further away from the original highlighting of the Management Development need.

It is therefore important, so as to formally end off the Management Development Programme, to take a measurement and bring it into context with the preceding steps of the Management Development Programme.

Instructions

At the appointed time:

- (a) Using the same method as that which originally highlighted the Management Development need, measure the current status. Should this not be possible, use an alternative method. Summarise your finds in your note book (see page 205).
- (b) Together with your superior, discuss the performance and compare it to the primary objective and to the more specific application

objectives. Determine if the objectives have been met and if the desired results were attained. Summarise your findings in your note book (see page 205).

- (c) Conclusion: If the objectives have been met, congratulations!

The Management Development process has been successful. The process will begin again once a new Management Development need arises. If the objectives have not been successful analyse the Management Development process from the start to determine the point(s) at which it failed.

Discuss these points of failure with your superior and decide on methods by which to rectify the matter. Resume the process again at the point at which it failed exercising due care to ensure its success. This process should continue as long as it is both practical and cost effective to do so.

Finally reflect on the entire Management Development process. Summarise your thoughts considering the strengths, weaknesses and possible applications of the Management Development process in your note book (see page 205 - 206). This may assist you in future Management Development Programmes or facilitate the more productive execution of Management Development Programmes for the organisation.

PART II

**THE MANAGEMENT DEVELOPMENT
PROGRAMME:
NOTE BOOK**

PART II

6.3 THE MANAGEMENT DEVELOPMENT PROGRAMME : NOTE BOOK

6.3.1 General

Follow the instructions as for your user manual and make the required notes in the corresponding spaces allowed in this book.

6.3.2 STEP I - Introduction

General Introduction and instructions as per user manual.

6.3.3 STEP II - The identification of Management Development needs

(a) Source

The source of your Management Development need was:

Self-evaluation

An individual or group evaluation, investigation of independent opinion

Due to new or future organisational needs

A

B

C

Voluntary

Mutual Agreement

Mandatory

(b) Definition

Define your Management Development needs:

(b) Secondary objective

List any secondary objectives:

(1) _____

(2) _____

(3) _____

(4) _____

(5) _____

6.3.5 STEP IV - Identification of the appropriate Development action

(a) On-the-job

ON - THE - JOB	SELECTION
- Coaching by peers and superiors	
- Job rotation	
- Occupying a trainee position under supervision of a manager	
- Undertaking planned work assignments	
- Other (specify):	

(b) Off-the-job

OFF - THE - JOB	SELECTION
- Attendance of courses offered by tertiary institutions	
- Attendance of lectures, seminars and conferences offered by consultants and professional bodies	
- Attendance of an existing in-house training course (departmental and company-wide)	
- Consulting professionals both inside and outside the organisation	
- Formulation of discussion groups	
- Selected readings	
- Simulating the work place	
- Using role plays	
- Business games	
- Case studies	
- Other (specify):	

5.3.6 STEP V - Drafting development programmes

RESPONSIBLE PERSON	Duration
Steps	

6.3.9 STEP VIII - Transfer

(a) Application objectives

(1) _____

(2) _____

(3) _____

(4) _____

(5) _____

6.2.11 STEP X - Application objectives

(1) _____

(2) _____

(3) _____

(4) _____

(5) _____

6.3.14 STEP XIII - Continuous Evaluation and feedback

(a) Evaluation

Summarise your findings: _____

(b) Discussion

Summarise your findings: _____

(c) Conclusion

CHAPTER 7

CONCLUSION

7. CONCLUSION

Developing managers is one method by which the Life Assurance Industry can increase the probability of organisational goal attainment. The Management Development Programme is a vehicle by which development can be achieved. It is a means to an end and not an end in itself. It cannot ensure that managers will be developed or that they will utilise the improved (developed) state. This would depend on the commitment demonstrated by the candidate himself and the commitment of his superiors.

What the Management Development Programme does provide is a structured method by which to develop managers. The Management Development process begins once the Management Development need has been identified. It is at this stage that the Management Development Programme is initiated. This in itself (the fact that the decision to use a Management Development Programme is a needs based decision) is already an improvement on some of the previous Management Development Programmes within the Life Assurance Industry, which were initiated by the fact that the candidate attained a higher job grade. These programmes did not consider if the candidate required the development or not.

The Management Development Programme facilitates the process by which desired knowledge, skills, disciplines and attitudes can be transferred to candidates. What is important to note is that although the Management Development Programme has been completed the larger Management Development process does not stop once the development action (transfer to candidates) is complete. This is the second improvement offered by this proposed Management Development Programme to the Life Assurance Industry. Other Management Development Programmes observed in the Life Assurance Industry were training based as opposed to being development based.

This firstly means that the training based development had a fixed content and that these Management Development Programmes were no more than training courses. This Management Development Programme on the other hand does not have any content whatsoever. In fact it relies totally on the existence of in-house training modules, tertiary institutions and potential on-the-job learning experiences, for its content. All it provides is a structured method by which to develop managers. This means that there is an infinite list of development actions from which to choose from.

The second implication of this training/development distinction arose from the need to bring the development back into the working place. It is for this reason that this Management Development Programme includes formal steps which take the development back into the working place. This was an improvement because the "training based" development programmes relied totally on the candidate's own ability to bring his newly acquired skills back into the working place. Candidates with such abilities are the exception rather than the rule.

This Management Development Programme is centered around the idea that even though certain objectives may have been reached it does not represent an euphoric end of the line. It is rather the recurrent application of the newly acquired knowledge, skills, disciplines and attitudes, over the span of the manager's career, that makes up the Management Development process and over which benefits can be received. That is why its formal steps link the development with the manager's operating objectives.

Furthermore it cannot be said that the Management Development process failed, if the organisation and its systems and plans were not aligned in support of the Management Development Programme. This factor cannot be countered by building a formal step into the programme.

The recall ability of developed managers and the contribution to overall organisational goal attainment by the Management Development Programme would therefore depend largely on the standard of the development actions, the commitment of all the relevant role players and the interaction and alignment of other organisational systems and plans.

At the most basic level a Management Development Programme broadens individual managers' perspective and encourages confidence through change and added skills. An effective Management Development Programme is therefore a set of methods and actions which occurs in harmony with a larger organisational environment, the execution of which results in benefits for both parties.

The drawing up of this Management Development Programme was based on an observational study of Management Development within the Life Assurance Industry and is therefore directly relevant to it too.

BIBLIOGRAPHY

8. BIBLIOGRAPHY

- Andersen, S.A. 1990. LEAP : A Process for handling Management Selection and Training. Technical Communication, Fourth Quarter, 370, 374.
- Anderson, N. 1985. The other side of training. Mortgage Banking, February, 16 - 29.
- Anfuso, D. 1994. Self-directed skills building drives quality. Personnel Journal, 73, 84 - 93.
- Anfuso, D. 1994. Staying a stone's throw ahead of competition. Personnel Journal, 76, 56.
- Ansaff, H.I. et al. 1976. From Strategic planning to Strategic management. New York, John Wiley and Sons.
- Arkin, A. 1992. Giving credit where it's due. Personnel Management, May, 53 - 54.
- Arkin, A. 1993. An Education in Training. Personnel Management, 25, 42 - 43.
- Arkin, A. 1994. From Supervision to team leadership. Personnel Management, 26, 48 - 49.
- Ashton, D. et al. 1975. Management Development, Theory and practice. England, MCB monographs.
- Ashton, D. et al. 1975. Management development in the organisation. London, Macmillan Press.
- Athur Anderson and Co. 1984. Changing horizons for Insurance : Charting a course for success. Atlanta Georgia, LOMA.
- Auteri, E. 1994. Fiat revs up the engines of change. Personnel Journal, 73, 107 - 113.
- Ball, A. and Asbury, S. 1990. The winning way. Johannesburg, Jonathan Ball Publishers.
- Banks, M.C. and Bures, A.L. 1987. Managerial Training : What companies want and how they get it. SAM Avances Management Journal, Winter, 26 - 31.

Barth, T.J. 1992. Developing managers. Lessons from the trenches. The Public manager. The New Bureaucrat, Fall, 39-42.

Bass, B.M. 1985. Leadership and performance beyond expectations. New York, The Free Press.

Bennis, W. and Nanus, B. 1985. Leaders, the strategies of taking charge. New York, Harper and Row Publishers.

Bennis, W. 1989. On becoming a leader. New York, Century Business.

Bennis, W. 1992. On becoming a leader. USA, Addison - Wesley Publishing CO, Inc.

Black, G. 1989. All that Glitters is not Glasnost. Business Marketing, July, 78 - 79.

Black, J.M. et al. 1966. Management Development Course. United States of America, Parker.

Blomberg, R. et al. Assessing the value of Employee training. Health care Management Review, Winter, 63 - 70.

Boam, R. and Sparrow, P. 1992. Designing and achieving competency - A competency based approach to develop people and organisations. London, McGraw - Hill.

Bricker, R.I. 1990. Management Development Requirements in a Changing South Africa. Johannesburg, Research report, Graduate School of Business Administration University of Witwatersrand.

Bridwell, L.G. and Marcus, A.B. 1987. Back to school. Personnel Administrator, March, 86 - 91.

Brown, T.L. 1994. Are you "growing" into an Executive? Industry week, March, 25.

Bruce, R. 1994. Training for team players. Accountancy, June, 32 - 35.

Brush, V.J. and Nardoni, R. 1992. Integrated Data supports AT and T's Succession Planning. Personnel Journal, September, 103-109.

Camevale, A.P. 1989. Management training : Today and tomorrow. Security Management, July, 19 - 23.

Carr, C. 1992. Smart Training. The Manager's guide to training for improved performance. New York, Mc Graw-Hill Inc.

Carrington, L. 1994. Competent to manage? International Mangement, September, 17.

Carulli, L.M. et al 1989. Employee - Driven career development. Personnel Administrator, March, 67 - 68.

Cellich, C. 1988. Training senior export executives in international business - some do's and dont's for organisers. International trade forum, October/December, 8 - 33.

Certo, S.C. 1980. Priciples of Modern Mangement. USA, W.M.C. Brown Company Publishers.

Charlton, G. 1992. Leadership, The human race, A guide to developing leadership potential in Southern Africa. Johannesburg, Juta and Co ltd.

Clemens, J.K. 1992. Leadership as a liberal art. Across the Board, July/August, 53-54.

Cohen, S.L. 1993. The Art, Science, and Business of Programme Development. Training and Development, May, 49 - 56.

Cohn, M. 1988. Middle Management training : An inside job. Management Review, November 18 - 19.

Conboy, R. and Godfrey, H. 1988. Certification of school finance officers : A Cooperative Effort in North Carolina. Government Finance Review, February, 21 - 24.

Conger, J.A. 1992. Personal Growth Training. Snake oil or pathway to leadership. Organisational Dynamics, 19 - 30.

Cosier R.A. and Dalton, D.R. 1993. Management Training and Development in a nonprofit organisation. Public Personnel Management, 22 (1), 37 - 42,

Coutts, C.T. 1987. Taco Bell combats high management turnover. Restaurant Business, January 20, 176 - 178.

Covey, S.R. 1989. The seven habits of highly effective people. Australia, Simon and Schuster.

Covey, S.R. 1992. Principle centred leadership. Australia, Simon and Schuster.

Crabb, S. 1991. Certified Competent. Personnel Mangement, May, 57 - 58.

Crotty, P.T. 1985. A Decade later : Continuing education and the experienced Manager. Human Resource Planning, 29 - 47.

Cutler, W.G. 1993. Keith flunks the course. Research Technology Mangement, July/August, 50 - 51.

Dakin, S.R. and Hamilton, R.T. 1985. The Development of General Managers : Some New Zealand Evidence. Management Development, 23 (4) 28 - 34.

De Lusignan, G. 1990. Bridging the "Management skills gap". Finance and Development, March, 40 - 42.

Dodge, R.B. 1989. Learning - centered Development. Personnel Journal, September, 100 - 105.

Drucker, P.F. 1988. Management : Tasks, responsibilities, practices. Great Britain, Heinemann Professional Publishing.

Dunn, C. 1986. Evaluation of Management, Education, Training and Development. Personnel Management, September, 59.

Earley, P.C. 1987. Intercultural training for managers : A Comparison of documentary and interpersonal methods. Academy of Management Journal, 30 (4), 685 - 698.

Edmands, C.D. 1994. The missing link in ethical training programs. Management Accounting, April, 75.

Elkins, A. 1980. Management Structures, functions and practices. USA, Addison-Wesly Publishing Co.

- Erden, D. 1988. Impact of Multinational Companies on Host Countries : Executive Training Programs. MIR, 28, 39 - 47.
- Ettorre, B. 1992. Breaking the glass or just window dressing. Management review, 81, 16-22.
- Evans, J. 1993. A positive course to Empowerment. Personnel Management, 25, 63 - 64.
- Evans, J. 1994. A targeted approach to management development. Personnel Management , 26, 52.
- Feldman, D. 1989. Women of colour build a rainbow of opportunity. Management Review, August, 18 - 21.
- Fiedler, F.E. and Garcia, J.E. 1985. Comparing organisational development and management training. Personnel Administrator, March, 35 - 40.
- Fitzgerald, W. 1992. Training versus Development. Training and Development, May, 81 - 84.
- Fossum., J.A. 1991. Issues in the design and Delivery of Corporate Training Programmes. Labour Law Journal, Spring, 575 - 580.
- Fraser, I. 1994. War of the wages. International Management, September, 16.
- Friant, R.J. 1991. Leadership Training for long term results. Management Review, July, 50 - 53.
- Galagan, P.A. 1992. When the CEO is on your side. Training and Development, September, 46 - 51.
- Georgiades, N. 1990. A strategic future for personnel? IPM Journal, 8(12), 13-15.
- Gerber, B. 1992. The care and breeding of global managers. Training, July, 32-37.
- Gerber, P.D. et al. 1987. Human Resources management. Johannesburg, Southern.
- Gibson, D. 1986. A sharper focus in Professional training for chemical managers. Chemical week, September, 17, 44 - 48.

Giek, D.G. and Lees, P.L. 1993. On Massive change : Using the Competing Values framework to Organise the Educational efforts of the Human Resource function in New York State Government. Human Resource Management, 32 (1), 9 - 28.

Glenron, J.F. 1991. How not to produce a management training programme. Training, 28, 94.

Glücklich, P. 1985. Women's management training in a ghetto? Personnel Management, September, 39 - 43.

Gooding, G.J. 1988. Career moves for the employee, for the organization. Personnel, April, 112 - 116.

Gooley, T.B. 1994. Playing to win. Traffic Management, January, 48 - 54.

Gray, J.L. and Starke, F.A. 1984. Organisational Behaviour : Concepts and applications, 3rd Edition. USA.. Charles E. Merrill Publishing Company.

Greene, G.P. 1987. Future Executive and Management training needs in Canada - A national survey. Business Quarterly, March, 90 - 94.

Hall, D. 1990. Openness in Business. IPB Journal, October, 4 - 7.

Hambrick, D.C. et al. 1989. Preparing today's leaders for tomorrow's realities. Personnel, August, 23 - 26.

Handy, C. 1987. Market training : Perk of prerequisite? Personnel Management, May, 28 - 31.

Hays, R.D. 1985. The Myth and Reality of Supervisory Development. Business Horizons, January/February, 75 - 79.

Hazucha, J.F. et al. 1993. The impact of 360-degree feedback on Management Skills Development. Human Resource Management, 32 (2, 3), 325, 351.

Hedrick, T.E. 1990. New challenges for government managers. The Bureaucrat, Spring, 17 - 20.

Hilton, P. 1993. An accelerated route to the top for graduates. Personnel Management, 25, 36 - 39.

Hodgetts, R.M. 1979. Management theory, process and practice, Second Edition. USA, W.B. Saunders Co.

Hofer, C.W. and Schendel, D. 1982. Strategy formulation : Analytical concepts. 7th Edition. New York, West Publishing Co.

Hofstede, G. 1994. Predicting Managers' Career success in an international setting : The validity of ratings by training staff versus training peers. Management International Review, 34 (1) 63 - 70.

Houghton, T. et al. Managing the Modern Organisation, Third Edition. Boston, Haimann.

House, R.J. 1967. Management Development : Design, Evaluation and Implementation. USA, The University of Michigan.

Hudy J.J. et al. 1991. The case for personality test in training. Training, 28, 47 - 49.

Hughes, R.J. and Kapoor, J.R. 1985. Business. USA, Houghton Mifflin.

Hurley, B. and Cunningham, I. 1993. Imbibing a new way of learning. Personnel Management, March, 42 - 45.

Johanson, L. 1987. "Prime" refers to service. ABA Banking Journal, June, 74 - 79.

Joyce, L.W. et al. 1994. Managerial functions : An alternative to traditional Assessment centre dimensions?

Kaye, B. and Leibowitz, Z. 1994. Career Development, Don't let it fizzle. H.R. Magazine, September, 78 - 79.

Keene, M.R. 1990. "Empower to the people". ABA Banking Journal, October, 127 - 133.

Kelly, J and Davies, J. 1994. An in-house MBA Programme that really took off. Personnel Management, 26, 30 - 33.

Kimmerling, G.F. 1993. A Place at the top for trainers. Training and Development, March, 44 - 49.

- Kimmerling, G.F. 1993. How is training regarded and practices in top-ranked U.S. Companies? Training en Development, September, 29 - 36.
- Kirby, D.A. 1990. Management education and small business development : An exploratory study of small firms in the UK. Journal of Small Business Management, October, 78 - 87.
- Kirkpatrick, D.L. 1985. Effective Supervisory Training and Development, Part 2 : In-house approaches and techniques. Personnel, January, 52 - 56.
- Kirkpatrick, D.L. 1986. Do Training classes change attitudes? Personnel, July, 11 - 15.
- Kizilos, P. 1991. Fixing fatal flaws. Training, 28, 66 - 69.
- Koontz, H. et al. 1981. Management, 7th Edition. Japan, McGraw-Hill.
- Koontz, H. et al. 1982. Essentials of Management, Third Edition. New York, Mc Graw-Hill.
- Kruger, M.J. and May, G.D. 1985. Two techniques to ensure that training programmes remain effective. Personnel Journal, October, 70 - 75.
- Kuzela, L. 1988. Kamikaze Camp. Industrial week, February 15, 32.
- Laabs, J.J. 1993. How Gillette grooms global talent. Personnel Journal, 72, 64 - 74.
- Laabs, J.J. 1993. Building a Global Management Team. Personnel Journal, 72, 75 - 76.
- Laabs, J.J. 1993. Business Growth Driven by Staff Development. Personnel Journal, 72, 120 - 135.
- Lazer, R.I. 1991. Steering through Turbulence. Training and Development, December, 39 - 41.
- Leavell, H. and Kaplan, H. 1990. Initiating Management Development in Garland, Texas. Personnel Management, January/February, 43 - 44.
- Linowes, R.G. and Dixon, B.R. 1992. Small Business Management Development for a newly Deregulated Economy : The case of New Zealand. Journal of Small Business Management, October, 131 - 136.

- Litterer, J.A. 1978. An introduction to Management. USA, John Wiley and Sons.
- Littlefield, D. 1994. How tailored training suits. Personnel Management, 26, 43 - 44.
- Mac Erlean, N. 1993. A tried and tested team. Accountancy, August, 36.
- Maclagan, P.1992. Management Development and Business Ethics : A view from the UK. Journal of Business Ethics, 11, 321-328.
- Maidment, F. 1986. University-based executive education programs : A new evaluation. Personnel Administrator, February, 117 - 118.
- Maidment, F.H. 1986. Educating Execs. Management World, June, 44.
- Marklend, R.E. 1989. Topics in Management Science. 3rd Edition. USA, John Wiley and Sons.
- Marx, R.D. 1992. Relapse prevention for managerial training : A model for maintenance of behaviour change. Academy of management Review, 7 (3), 433-441.
- Mathiasen, D. 1990. Managing the training Investment. The Bureaucrat, Fall, 25 - 27.
- Mauney, C. 1994. The merit of teams. Public Productivity and Management Review, XVII (4), 415 - 419.
- Mc Quigg - Martinetz, B. and Sutton, E.E. 1990. New York Telephone connects training to Development. Personnel Journal, January, 64 - 71.
- Mc Afee, R.B. and Champagne, P.J. 1988. Employee Development : Discovery who needs what. Personnel Administrator, February, 92 - 98.
- McCall, M.W. 1992. Executive Development as a Business Strategy. The Journal of Business Strategy, January/February, 25-31.
- Miner, J.B. 1980. Theories of Organisational Behaviour. USA. Dryden Press.
- Moravec. M. 1993. How BPX implemented dual-career ladders. Research. Technology Management, January/February, 39 - 44.
- Mumford, A. 1993. How managers can become developers. Personnel Management, 25, 42 - 45.

- Murphy, F. 1993. Mirror Group aims to turn journalists into managers. Personnel Management, 25, 59.
- Nanda, R. 1988. Organisational performance and supervisory skills. Management Solutions, June, 22 - 28.
- Newell, T. et al. 1988. Rescuing Training : Joining Learning and Application in a Federal Agency Training Programme. Public Personnel Management, 17 (3) 303 - 313.
- Nixon, B. and Allen, R. 1986. Creating a climate for DIY development. Personnel Management, August, 32 - 34.
- Noel, P.L. 1993. The Complete AMA guide to Management Development. Training and Development, December, 63.
- Noel, J.L. and Charan, R. 1992. G.E. Brings Global thinking to light. Training and Development, July, 29 - 33
- Nunes, F.E. 1994. Experiences in Helping Managers, 1968 - 1993. The Public Manager. The New Bureaucrat, Spring, 13 - 16.
- Oberlander, R.Y. 1988. Entrepreneurial Management, Development - The Abitibi - Price Diversified Group Experience. Business Quarterly, Autumn, 7 - 10.
- Parzinger, T.M. 1992. A valuable training and Development tool. The Bankers magazine, May/June, 75-80.
- Pearson, A.W. 1993. Management Development for scientists and engineers. Research. Technology Management, January/February, 45 - 48.
- Peterson, P.B. 1987. Training and Development : The views of Henry L. Grantt (1861 - 1919). SAM Advanced Management Journal, winter, 20 - 23.
- Phalon, R. 1987. Hell camp, Malibu-style. Forbes, December, 110 - 112.
- Phillips - Madson, L.J. and Sloan, P.R. 1987. Executive M.B.A. Programmes : A guide through the maze : Personnel Administrator, October, 88 - 89.
- Pickard, J. 1992. Training on another plane. Personnel Management, August, 45 - 46.

- Pickard, J. 1992. Positive Action in the Civil Service. Personnel Management, November, 63 - 64.
- Pickering, J.W. and Matson, R.E. 1992. Why Executive Development Programs (Alone) don't work. Training and Development, May, 91-95.
- Pulakos, E.D. 1986. The Development of training programmes to Increase Accuracy with different rating tasks. Organisational Behaviour and Human Decision Process, 38, 76 - 91.
- Rahim, A. 1983. A Model for Developing Key Expatriate Executives. Personnel Journal, April, 312-317.
- Rhinesmith, S.H. 1994. ASTD's Agenda for the future. Training and Development, May, 32 - 33.
- Robinson, C.G. 1989. Strategic management techniques. Durban, Butterworths.
- Rossiter, M. et al. 1990. Organisation Development or Organisation transformation - what's different? IPM Journal, 8 (7), 21-23.
- Saari, L.M. et al. 1988. A survey of management training and education practices in U.S. Companies. Personnel psychology, 41, 731 - 743.
- Sadler, P. and Barham, K. 1988. From Franks to the future : 25 years of management training prescriptions. Personnel Management, May, 48 - 51.
- Sahl, R.J. 1992. Succession Planning drives plant turnaround. Personnel Journal, September, 67-70.
- Sandwith, P. 1993. A Hierarchy of Management Training Requirements : The Competency Domain model. Public Personnel Management, 22 (1), 43 - 62.
- Sauter, J. 1992. Developing Managers. Creating a program for the postal Service. The Public Manager. The New Bureaucrat, Fall, 43-44.
- Scanlan, B. and Keys, B. 1983. Management and Organisational Behaviour. Second Edition. USA, John Wiley and Sons.

Schein, E.H. 1978. Career dynamics: matching individual and organisational needs. USA, Addison - Wesley Publishing Co. Inc.

Schofield, P. 1992. Change and how to manage it. Accountancy, May, 71 - 74.

Schwartz, D. 1980. Introduction to Management Principles, Practices and Processes. New York, Harcourt Brace Jovanovich Inc.

Sendelbach, N.B. 1993. The Competing Values framework for Management Training and Development : A tool for understanding complex issues and tasks. Human Resource Management, 32 (1), 75 - 99.

Senge, P.M. 1990. The fifth discipline. New York, Doubleday Currency.

Shaffer, B. 1991. A new approach to management training. Personnel Journal, January, 28 - 32.

Sherwood, J.J. et al. 1983. Management Development Strategies, Highlights of the Literature. United States of America, Pergamon Press.

Sherwood, F.P. 1992. Executive Development in the States. Public Productivity and Management Review XV (4), 437 - 438.

Smith, M.E. 1992. The search for Executive skills. Training and development, September, 88 - 95.

Smith, H.W. 1985. Implementing a Management Development Program. Personnel Administrator, July, 75-86.

Spindler, C.J. 1992. University - Based Public Sector Management Development and Training. Public Productivity and Management Review. XV (4), 439 - 448.

Steers, R.M. and Porter, L.W. 1979. Motivation and work behaviour. Second Edition. New York. Mc Graw-Hill.

Steinburg, C. 1993. Taking training for Granite. Training and Development, February, 7 - 9.

Steinburg, C. 1993. Leadership Questions. Training and Development, March, 12 - 14.

Stoner, J.A.F. and Freeman, R.E. 1989. Management, 4th Edition. USA, Prentice - Hall International.

Storey, J. 1991. Do the Japanese make better managers? Personnel Management, August, 24 - 28.

Stuller, J. 1993. Practical Matters. Across the board, January/February, 36 - 40.

Thamhain, H.J. 1992. Developing the skills you need. Research. Technology Management, March - April, 42 - 47.

Tharenan, P. and Lyndon, J.T. 1990. The effect of a supervisory Development programme on leadership style. Journal of Business and psychology, 4 (3) 365 - 373.

Thoams, G. 1988. Training and Development do make better managers! Personnel, January, 52 - 53.

Thompson, J.R. and Strickland, A.J. 1990. Strategic management: Concepts and cases, 5th Edition, International students Edition. Boston, IRWIN.

Thomton, E. 1993. Japan's struggle to be creative. Fortune, April 19, 42 - 43.

Ticky, N.M. and Devanna, M.A. 1990. The transformational leader. New York, John Wiley and Sons.

Tompkins, N.C. 1992. GTE Managers on the move. Personnel Journal, August, 86-91.

Umeshima, M. and Dalesio, R. 1993 More like US. Training and Development. March, 27 - 31.

Vance, C.M. and Paderon, E.S. 1993. An Ethical Argument for Host Country Workforce Training and Development in the Expatriate Management Assignment. Journal of Business Ethics, 12, 635 - 641.

Vargish, T. 1991. The Value of Humanities in Executive Development. Sloan Management Review, Spring, 83 - 91.

Verlander, E.G. and House, H. 1990. Executive education for managing complex organisational learning. Human Resource Planning, 15, Number (2), 1-18.

Walker, S.H. 1991. How to develop an effective Training Programme for your Bank. The Journal of Commercial Bank Lending, 53 - 58.

Wells, J.B. et al. 1991. Management Development training and learning styles. Public Productivity and Management Review, XIV (4), 415 - 428.

Wellstead, W.R. 1992. A Career track for Sales Agents. Training and Development, April, 49 - 52.

Whitmire, M. and Nienstedt, P.R. 1991. Lead Leaders into the 90's. Personnel Journal, May, 80 - 85.

Wille, E. 1990. Should Management Development just be for managers? Personnel Management, August, 34 - 37.

Williams, H. 1991. Effectiveness in Education and Training : The theory and practice of personal development. Personnel Management, July, 61.

Williams, G.F. 1991. Problem-solving accountability build mine productivity. Coal, May, 72 - 75.

Wittenberg-Cox, A. 1991. Delivering Global leaders. International Management, February, 52 - 55.

Wood, R.S. 1985. Education for leadership. The Bureaucrat, Summer, 45 - 46.

Woodcock, M. and Francis, D. 1989. Clarifying organisations values. England, Gower.

