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Management Development in Portugal

Ana Luísa Martins Oliveira

Orientadora: Professora Doutora Teresa Proença

Co-orientador: Professor Doutor Pedro Campos

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Abstract

The aim of this work is to characterize in Portugal tendencies of one of the Human Resource Management domains, Management Development. Based on a questionnaire to Human Resources Directors of 51 companies operating in Portugal, we characterize the current Management Development practices and discuss their higher or lower strategic intention, as well as the relation with organizational performance. We verify in this sample that one can talk of a beginning of Management Development practices and that they may sometimes have an impact on the organizational performance. We assume that it is ultimately up to the organization to decide if it adopts or not procedures in order to implement effective MD practices that are, on one hand, intrinsically linked to business strategy.

Key words: management development, organisational performance, strategic human resource management, Portugal.

Resumo

Este trabalho almeja caracterizar as tendências em Portugal de um dos domínios da Gestão de Recursos Humanos, o Desenvolvimento de Gestão. A partir de um inquérito a Directores de Recursos Humanos de 51 empresas a operar em Portugal, caracterizamos as práticas correntes de Desenvolvimento de Gestão e discutimos a sua maior ou menor intencionalidade estratégica, bem como a relação com o desempenho organizacional. Verificamos que se pode falar de um início de práticas de Desenvolvimento de Gestão nesta amostra e que estas práticas podem por vezes ter algum impacto no desempenho organizacional. Assumimos que cabe em última instância à organização decidir se adopta ou não procedimentos de forma a implementar práticas efectivas de Desenvolvimento de Gestão, que por seu lado, estão intrinsecamente ligadas à estratégia de negócio.

Palavras-chave: desenvolvimento de gestão, desempenho organizacional, gestão estratégica de recursos humanos, Portugal.

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Introduction

Nowadays, companies face a fierce survival reality as competition is ever growing and boundaryless, resulting from constant technological developments and the greater proximity of markets as the world becomes flatter (Friedman, 2005). The constant challenges that companies now have to face, force them to always be a step ahead from their competitors in order to have competitive advantage. The notion of competitive advantage is described by Longenecker and Ariss (2002: 640) as “any organizational practice, resource and asset that can be created, used, and/or sustained to improve an organization’s competitive position in the marketplace”.

Even though not being a recently defined concept, companies now better understand that “competence comes from the inside out” (Luoma, 2000: 145), and that internal capability somehow explains why companies can be long-lastingly superior to their peers in the area of business they work in (Ulrich and Lake, 1990; Stalk *et al.*, 1992). Therefore, human capital is greatly responsible for an ever rising competitive advantage solely by the fact that competent employees own specific knowledge and difficult to imitate capabilities that are intrinsic to the organization they work in (Garavan *et al.*, 2001). Similarly, Prahalad and Hamel (1990) came to the conclusion that the competitiveness of organizations is very much related to owning core competences and that human capital is one of them.

In order to optimize one of the most important assets of an organization – human capital – much has been researched and theoretically published about one of its areas of improvement: management development. According to Reitsma (2001: 135) “the aim of management development is twofold: developing future leaders of the business; and developing individuals to reach their full potential”. By doing so, organizations realised that having employees at their best capability will enhance their performance. Nevertheless, enhanced performance is a result of the latter tightly linked to an organization’s strategy (Winterton and Winterton, 1997).

Management development is an area of study that has gained much interest in the last three decades. Much research has already been made in the topic of management development throughout the years being proof of it the Netherlands Foundation for

Management Development, which is developing new work in the area for almost thirty years now. Authors such as Reitsma (2001), Heraty and Morley (2003) and many others, have developed research in order to understand how organizations or even countries value the importance of management development when closely related to their strategic development. For instance, Reitsma (2001:131) has published a very interesting case study on the role of management development at the giant Unilever, reaching the conclusion that MD at this company is used as a “strategic tool to help the organization meet its short and long term goals” and where performance development planning is a major part of its programme. Heraty and Morley (2003), on the other hand, give a country’s perspective on MD, a case study entitled “Management development in Ireland: the new organizational wealth?”. Here the authors document the volume of management development activity in Ireland by comprehending the influence that policies, practices and organizational structure have on it. It was concluded that “education, training and development were pinpointed as critical elements of a national plan to foster growth and competitiveness” (Heraty and Morley, 2003:76).

As stated by Sveiby (1997), managing and measuring knowledge-based assets (in which management development is included) is probably the new organizational wealth. Therefore, much analysis has been made on an organizational and/or on a nationwide level as highlighted above.

Thus, after researching on the possibility of existing studies about management development in the Portuguese business context, it was found that there is actually an unexplored investigation field to be developed here. Being so, this work aims to determine to what extent is management development a part of the organization’s business strategy in a wide range of companies operating in Portugal.

In accordance with the above-mentioned objective, this work hopes to give an answer to the following questions:

- Is it possible to affirm that management development plays an important role in the strategic business development of the companies operating in Portugal? In the affirmative case, how are those policies being implemented? Are they coherent with review of literature here presented?
- Is management development related to organizational performance?

1 Chapter - Management development in organizations – literature review

1.1 Initial considerations

Organizations now live in an era where much is demanded. All departments of an organization need to adapt themselves to the accelerated pace of businesses. Human Resources function needs to be able to deliver new ways of developing individuals' performance by defining frameworks for skills and competencies, in order to meet the strategy of the organization and build and maintain a much valuable and differentiator asset: human capital (Goodge, 1998; Garavan *et al.* 2001; Reitsma, 2001; van der Sluis and Hoeksema., 2001). There has been an awakening of consciousness from both the individual and the organization's side to the fact that it is pivotal to make "a person become an expert in a specific field" (Reitsma, 2001: 135). Managers now have to face the reality of accepting global assignments and are aware of the importance of career management and development of skills and capabilities. "The more learning opportunities, the more opportunities to develop knowledge and skills (...) the more likely the marketability" (van der Sluis and Hoeksema, 2001: 175). In order to stay in the organization, it is now considered a requirement by many managers to have further training and development of their skills as well as it is perceived by many companies as a condition to be able to surpass every difficulty encountered without having to recruit or rebuild new teams (Reitsma, 2001).

1.2 Managers, Management and Management Development – definitions

Before endeavouring on a definition of Management Development (MD), some thought must be put onto the definitions of manager and management as they are intrinsically linked to MD. According to Watson (1994:223), "Management is an essentially and inherently, a social and moral activity – in which success is achieved by – building organizational patterns, cultures and understandings based on relationships of mutual trust and shared obligation among people involved in the organization". Hence, taking into consideration this potential definition of management, the role of the manager and

its consequent designation has been target of many studies throughout the decades having authors like Fayol (1949) describing five basic managerial functions - planning, organising, co-ordinating, commanding and controlling - and Mintzberg (1973) updating Fayol's concept by characterizing ten roles often linked to managers: figurehead; leader; liaison; monitor; disseminator; spokesperson; entrepreneur; disturbance-handler; resource allocator and negotiator. Through these keywords it is implicit the complexity and demand of the managerial function.

So as to develop all the possible roles a manager can play within the organization (as referred above), Management Development has been seen as a vehicle to potentiate both the individual and the organizational performance as stated by Garavan *et al.* (1999:193) "MD as an activity usually presented as desirable to both individuals and organization", having many major companies worldwide already applying it as an ordinary practice (Reitsma, 2001). Based on the urge for the applicability of such a concept, many authors throughout the years have dedicated their efforts into studying this area and have attempted to define MD. Here some ideas that may summarize the notion:

- "The complex process by which individuals learn to perform effectively in managerial roles" Baldwin and Patgett (1994:270).

- "Management development (MD) is a defined system of personnel practices by which an organization tries to guarantee the timely availability of qualified and motivated employees for its key positions." Jansen *et al.* (2001:106)

- Management Development is there to "help the individual unleash the potential, rather than to suffocate him or her." Reitsma (2001:131)

- "We have used the term in a comprehensive sense to encompass the different ways in which managers improve their capabilities. (...) But our use of the term "development" goes beyond the sum of these to mean a wider process than the formal learning of knowledge and skills (...) Management development is thus a multi-faceted process in which some aspects are easier to identify and measure than others." Thomson *et al.* (2001:10)

With all these definitions one can come to the conclusion that MD is much more than simple formal training and that its complexity may sometimes make it difficult to infer its true contribution to the company's business strategy. However, many authors agree

on the positive interaction between business strategy and management development, which according to some may even be seen as a “competitive weapon” (Cannon, 1995: 26).

1.3 Management Development as a competitive weapon - Strategic Management Development (SMD)

Global competition now forces companies to reorganise and restructure themselves not only to be at the same level as their competitors but, above all, to live on in the current fierce economic context. Therefore, authors like Cannon (1995) defend that learning and development should come to pass as an integrative part of the business strategy and not as sporadic activities. This author believes that determining, developing and putting into practice competences able to link business strategy with the individual's performance is the reason why one can speak of MD as being business-driven. Figure 1 visually explains the above mentioned concepts:

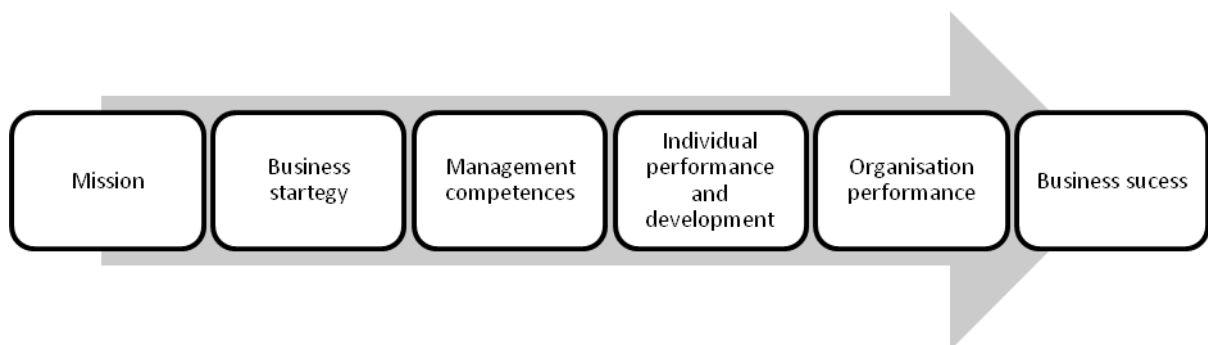


Figure 1 - Making business-driven competences work

Adapted from Cannon (1995)

Therefore, MD plays an important role in the business strategy's success as it enables the organization to allocate the human resources competences necessary to assure that the organization's competitive advantage is ultimately protected.

Some companies go even further as to establish a more complex concept: Strategic Management Development (SMD). McClelland (1994) affirms that SMD clearly sets itself apart from the conventional management development, which is more focused on the individual and how to enforce the existing competences. SMD, due to the constant difficult situations that organizations now have to face, ensures that in order to confront

them in a competent manner, learning and training need to already have been predicted, defined and implemented (Brown, 2005). According to Cannon (1995), already in the nineties many companies such as Coca-Cola, GE, Xerox and IBM had instituted long-term management development strategies so that their performance and competitive advantage would not be put into question. The author defines it as “competitive SMD strategy”. Reaching this level of commitment, companies need to formalise these aims by establishing policy statements available to all employees so that MD can thrive or, as asserted by Margerison (1991), it will eventually fail due to the lack of clear policies. Having a good definition of its policies, it now comes to the company to decide how to approach them.

1.4 Organizational approach to MD

It is of ultimate importance the path that an organization chooses to take on how to approach Management Development. It is important to comprehend that MD can be applied to any manager depending on what the organization is intending to achieve (Beardwell *et al.*, 2004). These authors defend that “in addition to developing new knowledge and skills, management development is a way of shaping individual and collective attitudes and behaviours” (Beardwell *et al.*, 2004: 365). By comprehending this concept it is up to the organizations to choose who is in need of MD in order to achieve its goals. For instance, Brown (2006) points out that senior managers are a critical resource to an organization and that it is normally with whom they spend more money on, even though some senior managers may show personal barriers and be against MD. This harsh position against MD may be explained by the “fear of change, fear of exposing weaknesses, a belief that they do not need to learn any more” (Brown, 2006:38).

Even though management development is nowadays viewed as “one of the most important sources of competitive advantage in an organization, is frequently overlooked in the rush to find ‘quick fixes’ for pressing organizational problems” (Longenecker and Ariss., 2002: 641). Thus, management development can be approached in many different ways according to the below authors:

Possible Management Development Approaches	
<p>Burgoyne (1988)</p> <p><i>Progressive approach according to the organization's MD level of maturity</i></p>	<ol style="list-style-type: none"> 1) No systematic management development – dependence on casual processes of MD; 2) Isolated tactical management development – MD activities as a response to specific situations; 3) Integrated and coordinated structural and development tactics – specific MD tactics imposed to the manager in an integrated and coordinated manner; 4) Management development strategy to implement corporate policy – already taking into consideration the role that MD can play in the organizational policy; 5) Management development strategy input to corporate policy formation – MD processes give an output in order to improve decision-making; 6) Strategic development of the management of corporate policy – MD as an important actor on the organization's policy processes, playing a pivotal role when it comes to implementing them.
<p>Mumford (1997)</p> <p><i>Progressive approach</i></p>	<p>Type 1 - "informal managerial" - accidental processes, not planned in advance, owned by managers, unconscious and insufficient;</p> <p>Type 2 - "integrated managerial" – opportunistic processes, with clear development objectives, planned beforehand, structured for development by both boss and employee;</p> <p>Type 3 – "formalised development" – planned processes, with an explicit intention in development, often away from normal managerial activities, planned beforehand and/or reviewed subsequently as learning experiences (as mentioned by Longenecker and Ariss., 2002).</p>
<p>Thomson et al. (2001)</p>	<p>MD interacts and is influenced by different variables inside and out of the organization and not looked in isolation:</p>

<i>Open system view</i>	<ul style="list-style-type: none"> - inside variables (organizational): the organization’s own culture, its strategies, procedures, goals, structures, technological development and even the managerial work and its priorities; - outside variables (environmental): social and emotional relationships (it can also be applied as an inside variable) and all that can come with it as a strong influence on the individual’s development and performance.
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Table 1 - Possible Management Development Approaches

Adapted from Burgoyne (1988), Mumford (1997) and Thomson *et al.* (2001)

The open system approach to Management Development by Thomson *et al.* (2001) leads to a much broader concept of development. It does not solely focus its attention on the organization’s level of MD maturity and subsequent appropriate methods to use, but brings to the table new factors (internal and external to the company), implying a constant exchange between them on daily life. Such exchange will mean that “if you develop the manager, you develop the organization and vice-versa” (Beardwell *et al.*, 2004:369).

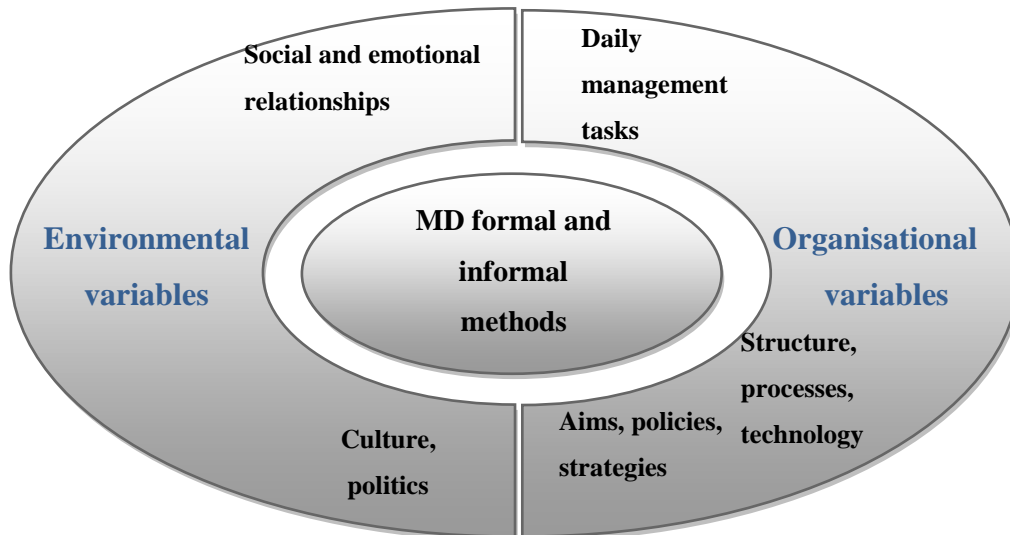


Figure 2 - Management Development as an open system

Source: Thomson *et al.* (2001)

However, some of the approaches to MD are very often applied in an extremely fragmented way (Mole, 2000), becoming a major contributor to its own collapse. In order not to pass up on the effort already made in recognizing the organization's MD maturity level and defining all internal and external variables that may also play an important role, it is now important to identify the responsible one(s) for management development and organization of the necessary programmes so as to better achieve it.

1.5 Responsibility and organization of management development programmes

When it comes to determine who is responsible for the manager's development and how to organise the appropriate development programme, opinions diverge but it is sure that even more so the manager at stake takes a further active role on this matter. It is vital for a manager to keep up on his continuous learning, to decide how to endeavour on it, whether through education and formal training, challenging assignments, projects, expatriation experiences, coaching done by colleagues, among a wide range of other learning and development experiences (van der Sluis and Hoeksema. 2001; Reitsma, 2001). It is fundamental for the manager to understand that he needs to be an attentive and responsive person, who is eager for success and who acknowledges that learning does not stop after graduation and that one should never resign (Bartlett and Ghoshal, 1992; Wills and Barham, 1994; Kotter, 1995; Ali and Camp, 1996). The individual's marketability - his value in the labour market - depends on the learning opportunities, knowledge-based experiences and other processes that will determine his career triumph (van der Sluis and Hoeksema, 2001). Evermore, the individual himself quests for new ways of developing his palette of knowledge.

Another player of extreme importance when it comes to responsibility and organization of MD programmes is the Human Resources department. HR professionals should be seen as strategic business partners, helping to guarantee the success of business strategy and putting it into action (Prahalad and Hamal, 1990; Stalk *et al.*, 1992; Pfeffer, 1994; Ulrich, 1997). They should be "critical contributors to competitiveness" (Luoma 2000:145). HR professionals should play a more polyvalent role while manager developers: change agents, responsible for changing skills, competencies and even behaviours; business partners, helping to ensure business strategy's success (Kirkbride,

2003). They would then be seen as the most suitable people to work on the organization and implementation of Management Development programmes. They should decide (also based on the manager's boss input) whom to choose for a MD programme and how to fully potentiate this person's development and even career as a mean to achieve business strategy success.

Also in the Portuguese context (the reality to be analysed), Cabral-Cardoso (2004) defends that HR professionals are progressively being seen as playing a specialist role and being strategically integrated. He also affirms that this role has been gradually gaining "credibility and further influence at the top" (Cabral-Cardoso, 2004:973).

In spite of this more conventional point of view, other stakeholders should be called into this process (Mabey and Salaman, 1995; Mumford, 1997): colleagues and mentors, senior managers, external bodies (for example, national organizations, such as the Netherlands Foundation for Management Development - NFMD - working for 30 years now according to Jansen *et al.*, 2001), and even family and friends may now play an important role at encouraging the individual's development. It is a wider perspective of how these actors may actually determine how the individual perceives his own professional growth. This standpoint brings to light a new overview on this theme of manager's development stakeholders and the Human Resources department along with the organization's board should take into consideration the value and weight that these new actors are playing in this area and how they influence it (Mabey and Salaman, 1995). Figure 3 below illustrates the concept:

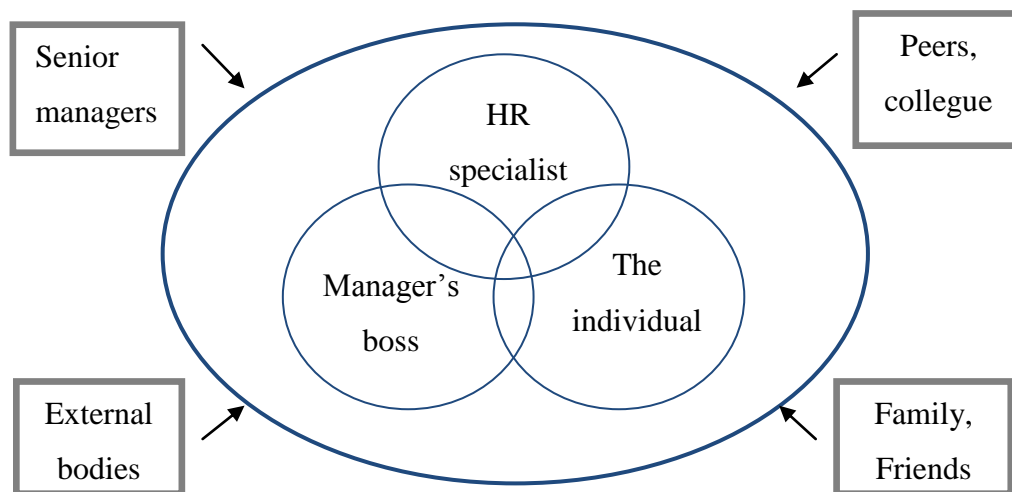


Figure 3 - Management Development: stakeholders?

Adapted from Mabey and Salaman (1995)

After determining who works as an influence on the manager's own development, it now comes to the company actively participate in the successful organization of MD programmes. In order to effectively organize these programmes, the company should take into consideration the fact that there is a need of having at its disposal enough qualified managers (van der Sluis and Hoeksema., 2001) as "recruiting managers with work experience from outside of the organization can be a route through" (Reitsma, 2001:134). With this the authors imply that MD will enable the company to develop their managers to a high qualification level that, consequently, will eliminate their need to outsource new managers, which can be extremely complicated as there is a long way of organizational culturalization.

By ensuring to have allocated competent and educated managers, the organization will guarantee that they will perform the diverse tasks necessary to flawlessly put into operation the strategy defined (McClelland, 1994).

Performance management is a useful way of motivating and rewarding those who attain the strategic goals and punishing those who do not (Beardwell *et al.*, 2004). By setting performance objectives, measuring its outcomes, giving the manager feedback on the results and rewarding them, MD professionals will be able to make amendments to the objectives and activities necessary to better develop that specific manager (Mabey and Salaman, 1995). Therefore, performance appraisal and management can be a good way of identifying new development needs (Beardwell *et al.*, 2004). Being part of their own activity assessment and development needs, managers now take a more proactive role on their own development as they become more responsible for it and, consequently, for their own career progression (van der Sluis and Hoeksema., 2001), as referred at the beginning of this section. Whoever holds the responsibility and organization of MD programmes, should take into consideration the following steps: how to implement and assess them so as to avoid its failure.

1.6 Implementation and assessment of management development programmes

Earlier on it was defined that having managers allocated, motivated through performance and appraisal systems and granting them responsibility for their own

development would be a way of creating an effective MD programme that would attain the organization's goals. The question now is "Why are we developing this manager?" It should be acknowledged the diversity of management and managers. Odiorne (1984) defines four types of professionals and how programmes should be adapted to their own profile:

Type of manager		Aim of the organization
Stars	High-performing, high-potential managers	<ul style="list-style-type: none"> • Challenge them; • Reward them; • Give out sufficient resources.
Workhorses	High-performing, limited-potential managers	<ul style="list-style-type: none"> • Emphasize their working experience; • Motivate and reassure them; • Use their experience on assignments, projects, coaching.
Problem employees	High-potential, underperforming managers	<ul style="list-style-type: none"> • Identify their weaknesses; • Channel resources to combat weaknesses; • Constant performance monitoring and feedback.
Deadwood	Low-performing, low-potential managers	<ul style="list-style-type: none"> • Identify their weaknesses, resolvable? • If not, early retirement?

Table 2 - A portfolio approach to development

Adapted from Odiorne (1984)

Consequently, MD professionals should adapt the different needs and managers' profile, bearing in mind the following questions (Beardwell *et al.*, 2004):

- Who is being developed?
- What is being developed?
- What are the most appropriate techniques in order to obtain the best between individual and organizational requirements?

Regarding the first question, it is important to realize why the organization is developing this specific manager (senior, intermediate or junior manager?), which are the objectives laying underneath this choice. Question number two aims at defining the target of the development, not just the manager himself but the factors that need to be developed, whether they are behavioural, financial or technical. The third question should be answered through a thorough analysis of how to better balance individual and organizational needs by choosing the most cost-effective techniques (Beardwell *et al.*, 2004).

Organizations are presently more conscious of the importance of these three questions but sometimes only relate management development to education and training (Goodge, 1998). This fact leads sometimes to spending enormous amounts of money in formal programmes (MBA's, certificate granting programs) that most of the time are not followed by a good review and application at the workplace. As perceived by Goodge (1998: 83), "some types of training were a waste of resources by 25% of them who used them". According to the author, it is no longer true that the individual will profit from a potential moving up the hierarchy and nowadays time is very scarce in order to develop people. The author defends that an organization should take into consideration the following two basic principles in management development:

- 1) work hard at developing people, by understanding the individual's present skills; defining short-term development plans; using senior managers as coaches and mentors and, last but not least, formally evaluate with regularity (6-12 months);
- 2) go for benefits with low costs, which means using inexpensive and focused development activities (projects, visits, workshops), always aiming at practical.

Goodge (1998) sums up these simple principles by affirming that it is necessary to cut theory to the minimum and make things really simple. Other authors such as Longenecker and Ariss (2002), also defend that management development made through formal management education are sometimes very expensive, being difficult to determine its Return on Investment (ROI) and to infer about its transfer to the working daily life. The authors advocate that managers can greatly learn from challenging job assignments (a view also shared by Reitsma, 2001), from significant relationships with others (mentoring done by senior managers), difficulties and hardships, performance appraisal and review and, of course, formal educational experiences. These aspects on how to implement management development are in a way also shared by van der Sluis

and Hoeksema. (2001), when the authors affirm that in order to achieve career success there should be job-rotation, learning on the job, coaching and mentoring, training and education. The authors make the analogy of management development as being a palette that the manager owns because “the more colours (experiences) he can mix (utilise) the more employable he will be” (van der Sluis and Hoeksema, 2001: 171). Here some possible methods in order to develop managers, divided into formal and informal:

Formal methods	Informal methods
<p>Off-the-job (outside of the organization: at college/university, seminars, conferences)</p> <ul style="list-style-type: none"> • Seminars; • Projects; • Case studies; • Simulations; • Games; • Role playing; • MBA’s; • Lectures; 	<p>On –the-job</p> <ul style="list-style-type: none"> • Coaching (performance improvement in a familiar area of knowledge of the individual – relationship with immediate boss); • Mentoring (sharing of experience, “street-wise” experience, relationship with immediate boss not compulsory, possibility of being an older manager); • Projects (delegating challenging assignments); • Self-development (activities that will autonomously lead the manager to develop his knowledge: computer-based programmes, interactive videos); • Outdoor management development (outdoor tasks and challenges that will defy the manager not only at a managerial level but also at an emotional and mental one)

Table 3 - Types of management development programmes

Adapted from Beardwell *et al.* (2004)

Heraty and Morley (2003) insist, however, that if it exists MD policies, the volume of developmental activities is higher. Thus, applying the study that they have developed on defining MD in Ireland, Heraty and Morley (2003:69) verify that “firms with explicit written policy record a mean training of 5,5 days per annum, their counterparts with no such policy (..) 2,6 days”. They have used a scale from the Employee Relations Research Unit¹, which will be adopted in the data analysis.

Whatever the type of educational experience the organization decides to put the manager through, it is important to make the employee understand that the educational programme has added value and that it is necessary to make an effort to profit from it (Longenecker and Ariss, 2002). Longenecker and Ariss (2002: 651) go even further as saying that “once an organization places the right person in the right program it is imperative that effective follow-up takes place to ensure that key learning principles/practices are applied. (...) Without this follow up transfer ROI will not be maximized”. Managers should be held accountable for continuing *in loco* the learning experience that they went through so that the organization is able to see applicability of their investment on this specific individual.

As it can be seen in Figure 4, in order to have an useful educational experience at management level, there has to be an excellent instruction, balanced with an effective and supportive learning process that will enable the learner to apply and be taken answerable for the knowledge that has been transmitted to him in the learning program (independently from which chosen type of programme). In order to have the manager’s skills and performance improved, the learning experience should be followed by ongoing review in order to assess what has effectively been learnt by the individual (Longenecker and Ariss., 2002). This review should be present in the various different stages so that the conducting thread will not be lost: pre evaluation (needs analysis), evaluation during development, immediate post activity evaluation and long term evaluation (Beardwell *et al.*, 2004). By respecting these steps, the organization will have a much more capable employee which will then enforce its competitive advantage.

¹ Adapted from Cranet E Surveys – surveys that document the high priority given to training and development in European Countries



Figure 4 - Effective learning

Source: Longenecker and Ariss. (2002)

Luoma (2005) has also put some thought into the theme of managers' perceptions of the strategic role of MD. This author states that only when managers feel that their ability to successfully perform in their management roles is improved by MD programmes, do they believe in the effectiveness of MD. Luoma (2005) makes reference to studies that show that managers are more apologist of systematic MD than merely accidental processes.

Based on a business strategy, management competences should be developed and defined in order to further more develop and enhance the individual performance. Therefore, in spite of the approach that the organization decides to take on, it is pivotal to understand that “the outcomes of management development result from the interaction between individual characteristics and organizational characteristics” (van der Sluis and Hoeksema. 2001: 168). This organizational structure and job content/description as well as learning behaviour of the individual oriented to the achievement of objectives determine the type of management development to be assessed. It is of utmost importance that both individual and organization understand the intricacy of this exchange.

Management development, then again, brings consequences to the organization and to the individual. On the individual's perspective a development program should be able to improve his job performance, increase his employability and enable his career success. On the organization's perspective, MD should make the organizations want to recruit,

retain and develop their managers: understand their own learning and development process, which is closely linked to realising their strategic organizational roles and, consequently, the possible increase of their business performance.

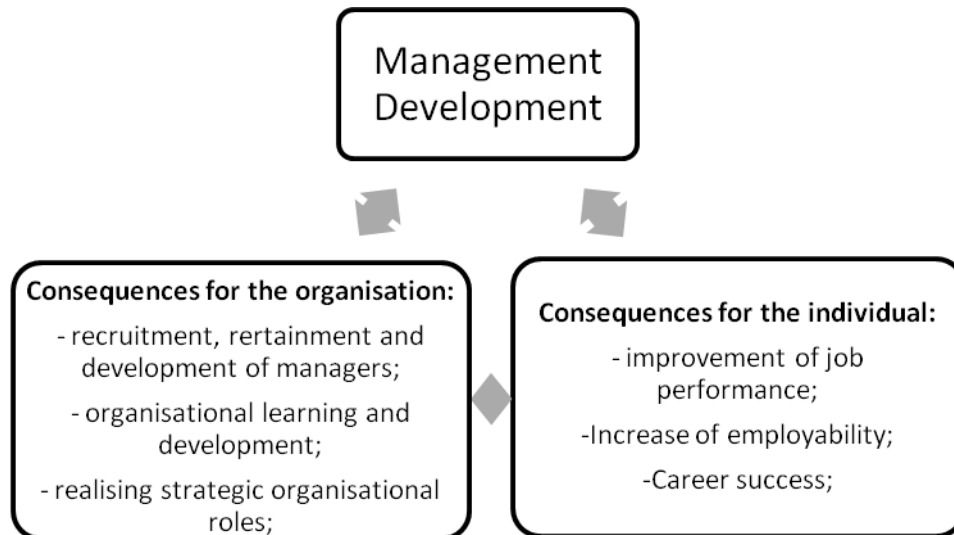


Figure 5 - Interactive model of management development

Source: van der Sluis and Hoeksema. (2001)

1.7 Management Development and organizational performance

There is a fairly diminutive number of studies presenting direct empirical evidence of an important relationship between management development activity and organizational performance (Burgoyne *et al.*, 2004). It was concluded by some studies that companies with higher performance and innovation normally are the ones that spend more of their MD budget in developing management skills and also that organizational performance objectives may be attained depending on the company's level of commitment to MD practices (Thomson, 2000; Mabey and Thomson, 2000).

There are also some studies that have put some thought into the influence of training and performance management systems (included in the MD practices) in the organizational performance, which concluded that organizations that take these two aspects into consideration perform above their sector's average (Macdonald and Smith, 1995).

However, there is a large amount of evidence on the wider association between Human Resources Management (HRM) practices and organization performance (Fox and McLeay, 1991; Winterton and Winterton, 1996; Becker and Huselid, 1998). This view often overlooks management development but frequently discovers that aspects such as employee development (which would include MD practices) are importantly correlated to the organization performance. Most recent works (e.g. Purcell *et al.*, 2003) put some emphasis on the association of HRM with business strategy and that it most likely affects organizational performance: “the work of HRM provides clear evidence of the importance of people management in organizational performance, in which managers are nearly always those who deliver HRM through their ability to lead and motivate staff” (Burgoyne *et al.*, 2004: 26).

These authors also state that there may be the possibility that “low skill” business strategies may be successful in activity sectors where there is a low investment in Management Development.

Below the synthesis of some of the developed studies and its outcomes (Table 4):

Management Development and organizational performance	
Mabey and Thomson (2000)	Corporate commitment (UK study of management training): positive outcomes of MD investment could be largely attributed the company’s approach to MD. Also important the company’s commitment to training activity.
Thomson (2000)	The performance of 600 aerospace companies were not at all related to the MD spent, but high performing firms (more innovative) spent more of their MD budget in management of skills (27% spent) than low performing firms (9%).
Mabey and Ramirez (2003)	EC funded research project analyzing MD in 6 countries: 25% of the organizational performance variance is justified by strategic approach to HRM, to Management Development and to the belief that employees seriously take MD into consideration.
Training, performance systems and organizational performance	

Lee et al. (1993)	Management – training programme at British Telecom saved £270 million due to performance improvements examined after each training course.
Macdonald and Smith (1995)	437 firms with performance management systems (explicit job goals, incentives and feedback mechanisms) and learning opportunities in order to achieve their goals, showed an above average performance in their sector of activity.
Becker and Huselid (1998)	Management development and training activities linked to the needs of the business.
Dearden et al. (2000)	Investment in training increases the value of each worker in productivity terms, much more than if their wages were increased.
HRM and organizational performance	
Fox and McLeay (1991)	49 UK engineering and electronics companies: positive relationship between financial performance and the level of integration between corporate strategy and human resources management functions (recruitment and selection; MD; performance appraisal, rewards, career planning).
Winterton and Winterton (1996)	16 UK organizations: statistically significant relationship between competence-based HRD systems and business performance, particularly where the MD activity was linked to business strategy.
Purcell et al. (2003)	Emphasises the quality level of HRM implementation as its practices rely on good managers to deliver them to their staff. Managers as HRM input and output.

Table 4 - Impact of Human Resource Management practices in organizational performance

Adapted from Burgoyne *et al.* (2004)

Even though having some studies that determine a positive relationship between Management Development practices and the organizational performance, these

practices are sometimes perceived as a game of meaningless outcomes (Clarke, 1997), as the debate below explains.

1.8 Management Development: new challenges?

By being such an up to date theme, much can be said of how Management Development is interpreted, planned and put into practice. The challenge of MD is to ensure that all development steps encounter both the individual's development expectations and the organization's strategic objectives (Heraty and Morley, 2003). Nevertheless, not all authors have this unitary approach of Management Development. Some authors (Willmott, 1994; Williams, 1996; Ackers and Preston, 1997) argue that some MD courses/programmes are applied in many organizations due to the fact of being a trendy policy to have and not due to the effective value that it could actually bring, "growing enthusiasm for management development is based on the belief (rather than anything stronger) that it will lead to beneficial outcomes for the organization" (Meldrum and Atkinson., 1998:528). Ktogt and Warmerdam (1997) consider that MD is in fact an organizational game that is used so that specific power relations can be built. They go even further as affirming that it is a way of using and influencing the processes within the organization on its own behalf. Clarke (1997) argues that some employees might even feel forced to develop themselves when that would not be their intention. He also defends that employees consider that even though having been through development programs, they would not be surprised if they would be the first to go when financial problems challenge the organizational wellbeing.

It is also debated that there should be an enforcement of on-the-job management development programmes, as for example coaching and mentoring, setting themselves apart from off-the-job situations – lectures at seminars, conferences, courses at universities (Paauwe and Williams, 2001). According to these authors, reality-based activities emphasize the development of managers in their managing context. Nonetheless, they also highlight that it is always important to balance both on-the-job and off-the-job development programmes, as alone they show weaknesses but combined they show efficiency. Sometimes organizations tend to have difficulties to become sensitive to this matter.

All these aspects of Management Development must be taken into consideration, whether one believes in its strategic potential or in its weaknesses and incapability of bringing something new.

2 Chapter – Methodology

This chapter aims at exposing methodological aspects. On the first subchapter we will present the adopted methodology, the selected sample and all the data collection process. On the second subchapter, we describe the data analysis techniques used in order to verify the research questions.

2.1 Survey, data sample and collection

With the goal of answering all research questions, the chosen collecting method was a survey by questionnaire, which is widely used in management research and that enables the verification of theoretical hypotheses (Quivy and Campenhoudt, 1998; Saunders *et al.*, 2003). Through the usage of a questionnaire we can have access to an extensive range of information and data by analyzing a specific population and it easily allows the quantification of a multitude of data. The questionnaire is a way of analysing a social phenomenon (Quivy and Campenhoudt, 1998). A questionnaire according to Saunders *et al.* (2003: 281) “can therefore be used for descriptive or explanatory research” and “questionnaires of organisational practices, will enable you to identify and describe the variability in different phenomena”. The selection of this method was also influenced by the existing literature (Ali and Camp, 1996; Longenecker and Ariss, 2002; Heraty and Morley, 2003; Luoma, 2005).

The representativeness issue is sometimes a problem to the sample inquired, as rarely can we exhaustively study a whole population or even consider a representative sample, without risking having groups insufficiently represented. Aiming to do that would also mean having a long timeline, having high costs associated and all the difficulties inherent to the fact of wanting to inquire the whole population of interest (Ghiglione and Matalon, 2005). These authors also advocate that it is necessary to substitute the global notion of representativeness by a wider notion: to fit the sample to the established objectives. With this notion of fitting our sample to the established objectives, we opted for a non-casual by convenience sample. Therefore, we decided to send the questionnaire to 500 Human Resources Directors, from different types and sizes of companies operating in Portugal, and that we had the e-mail. The majority of

the obtained answers belonged to large companies as we describe in the next section (3.2).

We started collecting data on the 01 of June 2009 by sending the questionnaires by e-mail. Some of the companies were initially telephonically contacted in order to confirm the e-mails of their human resource department manager. On the 30 of September 2009 the survey was closed. In a total of 500 sent questionnaires, we received 51 valid answers, which represents an answering rate of approximately 10,2%.

The questionnaire included two distinctive sections. The first one aimed at collecting some general information about the organization (activity sector; total number of employees, number of managers over the total number of employees, total turnover) in order to segment the respondent. The second section was intended to collect information about the possible Management Development policies and practices that the organization may be using.

2.2 Measures

This questionnaire was built upon the literature review and existing scales (Goodge, 1998; Heraty and Morley, 2003), by using “Yes/No questions” and also by means of a 5 points Likert scale.

“Yes or No questions” were used when asking about the existence of specific programmes, targets of this investigation: MD programmes and performance appraisal system. In these questions it was always given the possibility of a “don’t know” answer as it is information that is also important to collect and that needs to be taken into consideration when interpreting the results (Ghiglione and Matalon, 2005). The imposition of one answer choice makes them mutually exclusive, avoiding incoherencies (Ghiglione and Matalon, 2005).

It was also used two variants of a 5 points Likert scale: the first one applied mainly to all questions focused on the usage of management development programmes (1 – “very low” and 5 – “high”) and the second one more directed to questions regarding the usage of a performance appraisal system and the managers’ interaction with it (1 – “never” and 5 – “always”). Likert scales foment uni-dimensionality, making sure that all items measure the same thing and reliability as it allows a greater range of answers to the respondents (Oppenheimer, 2001:195). This type of scale also provides precise

information about the respondent's degree of agreement / disagreement and it enables a subtler and deeper ramification of an attitude being explored (Grangé and Lebart, 1994; Oppenheimer, 2001).

Regarding more specific questions about management development programmes – determination of responsible for management development; organization's type of approach to management development plans – there were used adaptations of the literature reviewed in multiple choice questions from different authors (Mabey and Salaman, 1995; Ulrich, 1997; Mumford, 1997; Longenecker and Ariss, 2002).

In order to measure firm performance items, it was adapted from Kaya (2006) a multidimensional measure, with different dimensions of performance. The dimensions used are sales growth, market share growth, return on sales, and return on assets. Respondents were asked to compare with a competitor of their own firm over the past 3 years, using five-point scales anchored at much worse than competition (=1) and much better than competition (= 5).

Also, for measuring the level of organizational innovation, we asked the respondents to use a similar Likert scale, from low (=1) to high (=5). This indicator was used as an organizational performance indicator. According to Laursen and Nicolai (2003), one of the benefits of adopting new HRM practices (such as team-based organization; continuous learning; job rotation and emphasis on internal knowledge dissemination), in which MD is included, is the increased innovation performance. Also Thomson (2000) reinforces that high performing companies (more innovative) tend to spend more in MD programmes than others (see table 4).

On table 5 below, we can see a systematization of the major themes and the measurement chosen for each one of them.

		Measurement	Collection
Characteristics of MD	Responsible for MD	Likert scale	Questionnaire
	MD Practices		
	Performance Appraisal System Practices		
	Internal recruitment		
	HR influence in business strategy		
Organizational Performance	Comparison with competitors	Multiple choice	
	Innovation	Likert scale	
Control variable	Number of employees	Absolute value	

Table 5 - Synthesis of study measures

3 Chapter - Empirical application to the Portuguese case

3.1 Initial considerations

After describing methodological aspects of this work, we now pass on to the presentation of the results. On the first subchapter we will characterise the sample. On the second subchapter we will present the results of the implemented analysis in order to find out the main characteristics of MD in the sample and the existing relations between the variables. Finally, on the third subchapter we will discuss the previously presented results.

3.2 Sample characterisation

The obtained data collected in the questions regarding the companies' general information allows us to characterise the sample. As it can be seen below (Figure 6), in a total of 51 companies, 26 are in the service sector representing 51% of the sample, and 25 are on the industry sector representing the other 49%.

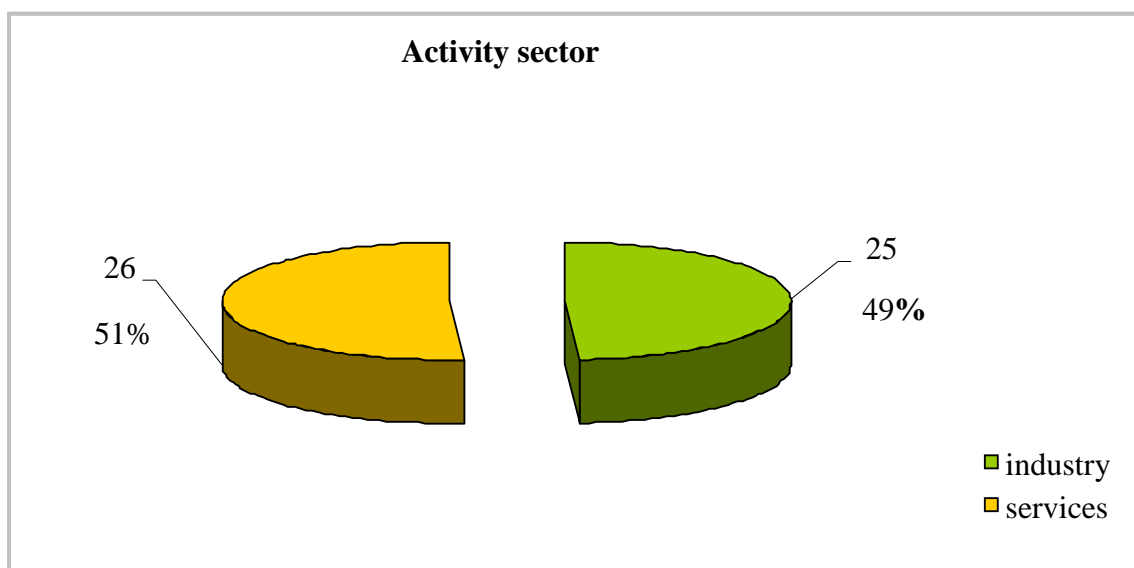


Figure 6 - Sample distribution by activity sector

On Figure 7, we can see that the number of employees of these companies has a great interval, having the smallest respondent 14 employees and the biggest 15361.

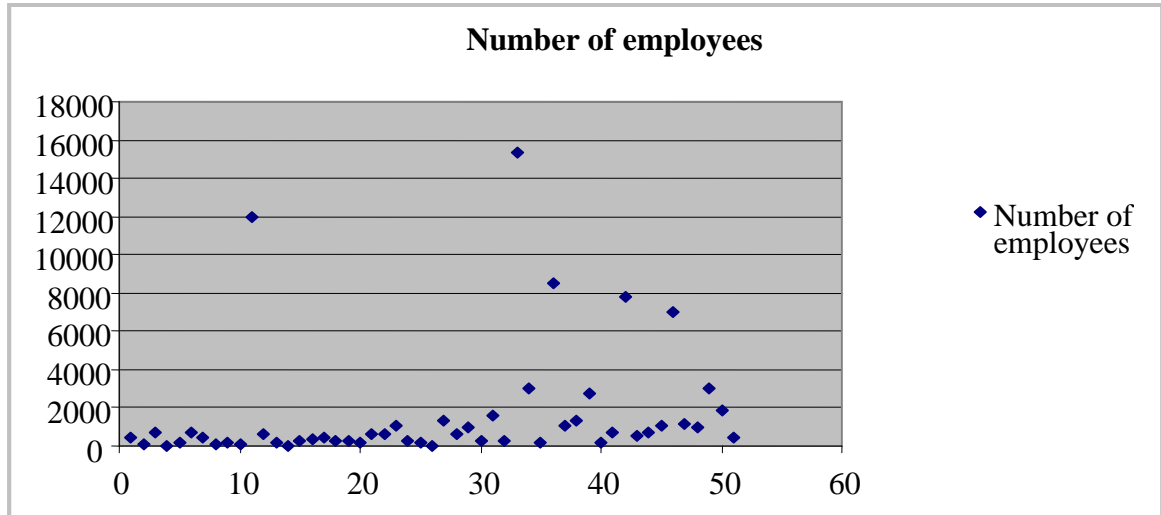


Figure 7 - Sample distribution by number of employees

When analysing by type of company (<50 employees – small/medium company; 50-250 employees – medium/large company; >250 employees – large company - based upon the Recommendation of the European Commission of the 6th of May of 2003), we can see that the majority of the sample corresponds to large companies with more than 250 employees – 70, 59% (see Figure 8 below).

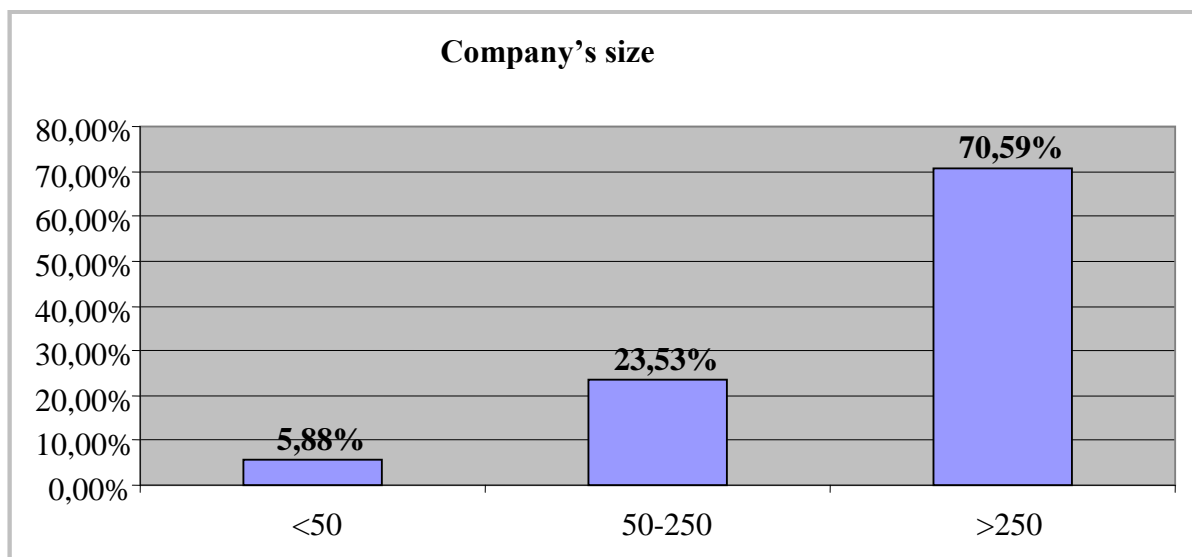


Figure 8 - Sample distribution by type of company

3.3 Results analysis

In order to analyse the data obtained, we have used techniques available in the SPSS software (Statistical Package in Social Science), version 17. We have subdivided the presentation of the results in two subchapters in order to better answer the research questions: Existence of Management Development practices in Portugal; Management Development and organisational performance.

3.3.1 Existence of Management Development Practices in Portugal

In order to assert if our sample has management development practices as a current norm, we now proceed to the descriptive analysis of some indicators that are pivotal according to literature review.

Only 37, 3% of the companies in the sample have formal and written MD policies. Nevertheless, 90,2% affirm having MD policies in their company, whether written or unwritten (table 6).

Concerning each company's approach to MD, 47,1% has a formalized approach and 33,3% considers having an integrated one (Table 7).

Existence of MD policies					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Don't know	1	2,0	2,0	2,0
	No	4	7,8	7,8	9,8
	Yes, unwritten	27	52,9	52,9	62,7
	Yes, written	19	37,3	37,3	100,0
	Total	51	100,0	100,0	

Table 6 - Existence of Management Development policies

Approach to management development					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informal	10	19,6	19,6	19,6
	Integrated	17	33,3	33,3	52,9
	Formalized	24	47,1	47,1	100,0
	Total	51	100,0	100,0	

Table 7 - Company's approach to Management Development

When asked to define the responsible ones for the manager's development (multiple choice question), the hierarchical superior and the HR department obtained high percentages (28,91% and 28,13%, respectively). The next higher percentage was the manager himself with 17,97% (table 8). External bodies, such as national institutions, also play a very important role as they represent 10.16% of the answers. On the contrary, it is interesting to see the low responsibility of mentors for MD (1,56%).

Responsible for MD	
HR Department	28,13%
Hierarchical superior	28,91%
Colleagues	2,34%
Mentors	1,56%
Senior Manager	8,59%
External bodies	10,16%
Manager himself	17,97%
Others	2,34%

Table 8 - Responsible for the manager's development

Concerning the manager's level of participation in the definition of his own training plan, it can be seen on table 9 that 49% of the population considers having a good level of the manager's participation. When consolidating results the medium to high levels obtain 94, 1% of the responses, opposing to the 5,9% that have a low participation of their managers in the definition of their own development plans.

Manager's participation definition of their training plan					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	3	5,9	5,9	5,9
	medium	14	27,5	27,5	33,3
	good	25	49,0	49,0	82,4
	high	9	17,6	17,6	100,0
	Total	51	100,0	100,0	

Table 9 - Manager's participation level on the definition of his own training plan

On the topic of the usage level of management development programmes (MBA's, coaching, mentoring, among others) only **4%** of the sample affirms having a very low usage of these type of programmes. The majority affirms using MD programmes (86%). The most used MD programmes are internal training activities (35%), followed by the participation in conferences and seminars (28% high; 31% good level) and external training (22%). It is also interesting to see that Team Development activities start to have some usage as they obtain considerable medium and good usage level, 28% and 35% respectively. The time available for formal training is also attention-grabbing as we can see that 35% consider having a medium usage level of this type of activity. The less used MD programmes are MBA's (51%), followed by international assignments (39%), mentoring (35%) and coaching (28%).

Usage level of MD programmes						
	very low	low	medium	good	high	Total
MBA's	50%	16%	20%	0%	14%	100%
Internal training	8%	4%	20%	33%	35%	100%
Conferences and seminars	2%	10%	29%	31%	28%	100%
External training	2%	16%	35%	26%	21%	100%
Job rotation	26%	20%	26%	24%	5%	100%
In loco learning	10%	6%	27%	35%	22%	100%
Coaching	28%	20%	39%	10%	3%	100%
Mentoring	35%	33%	24%	6%	2%	100%
Career planning	16%	28%	22%	29%	5%	100%
International assignments	39%	14%	18%	24%	5%	100%

On-the-job training	8%	10%	27%	39%	16%	100%
Team Development Programmes	10%	14%	27%	35%	14%	100%
Time available for formal training	26%	24%	35%	12%	3%	100%
None	84%	2%	10%	0%	4%	100%

Table 10 - Usage level of MD programmes

Regarding the average training days that each manager has per annum, it can be stated that the majority has 5 to 10 days of training (37, 3%). It is also interesting to verify that 29,4% of the population inquired has more than 10 days of training per annum. Nevertheless, still 2% has 1 day or less and 5, 9% does not even know (Table 11).

Average training days					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.1-1.0	1	2,0	2,0	2,0
	1.01-3.0	3	5,9	5,9	7,8
	3.01-5.0	10	19,6	19,6	27,5
	5.1-10.0	19	37,3	37,3	64,7
	>10.0	15	29,4	29,4	94,1
	Don't know	3	5,9	5,9	100,0
Total		51	100,0	100,0	

Table 11 - Average training days per manager per annum

When it comes to having performance systems, 80, 4% of the population affirms having it as a regular practice, opposed to 13, 7% that affirm not having and 5, 9% that does not know (Table 12).

Existence of performance system					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I don't know	3	5,9	5,9	5,9
	No	7	13,7	13,7	19,6
	Yes	41	80,4	80,4	100,0
	Total	51	100,0	100,0	

Table 12 - Existence of performance systems

As a consequence of finding out if companies had a performance system, it was also asked if this system lead to the implementation of individual performance objectives and we found out that 58,8% always implement this kind of procedure, 19,6% do it frequently, contrasting with 17,7% that rarely or never implement them (Table 13). It was also revealed that 47,1% always include the manager on the definition of his own performance objectives, followed by 21,6% who frequently do so. This could also be understood as consequence of them not implementing individual performance objectives either. Pertaining to the frequency of the manager's performance evaluation, 64,7% always evaluate their manager's performance, pursued by 15,7 that frequently do it and opposed to 11,7% that rarely or never evaluate (Table 15). As a result of endeavouring on the manager's evaluation frequency level, it was imperative to assess if the managers themselves received feedback regarding this evaluation. In a sense, the population confirms the previous point, 66,7% always give feedback, trailed by 13,7% that frequently do, contrasting with 11,7% than rarely or never give feedback to their managers (Table 16).

Individual performance objectives					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	3	5,9	5,9	5,9
	rarely	6	11,8	11,8	17,6
	sometimes	2	3,9	3,9	21,6
	frequently	10	19,6	19,6	41,2
	always	30	58,8	58,8	100,0
	Total	51	100,0	100,0	

Table 13 - Level of implementation of individual performance objectives

Manager's participation on definition of performance objectives					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	3	5,9	5,9	5,9
	rarely	6	11,8	11,8	17,6
	sometimes	7	13,7	13,7	31,4
	frequently	11	21,6	21,6	52,9
	always	24	47,1	47,1	100,0
	Total	51	100,0	100,0	

Table 14 - Level of manager's participation on the definition of performance objectives

Evaluation of manager's performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	2	3,9	3,9	3,9
	rarely	4	7,8	7,8	11,8
	sometimes	4	7,8	7,8	19,6
	frequently	8	15,7	15,7	35,3
	always	33	64,7	64,7	100,0
	Total	51	100,0	100,0	

Table 15 - Level of evaluation of manager's performance

Manager receives feedback?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	2	3,9	3,9	3,9
	rarely	4	7,8	7,8	11,8
	sometimes	4	7,8	7,8	19,6
	frequently	7	13,7	13,7	33,3
	always	34	66,7	66,7	100,0
	Total	51	100,0	100,0	

Table 16 - Manager's feedback reception frequency level

After determining all the issues on the topic of performance management system, it was important to determine the outcomes of this usage: if there is a definition of a development plan and training needs after performance appraisal. Regarding the definition of a development plan, the sample results showed that 23,5% always define a plan, followed by 33,3% that frequently do so. On the opposite, 21,6% rarely or never define a plan (Table17). Concerning the definition of training needs, we learnt that to 23,5% organizations, performance evaluation has a high implication level in the definition of these needs, trailed by 41,2% that consider having a good implication. With a very low to low implication level we have 13,7% of the sample (Table 18).

Definition of development plan					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	3	5,9	5,9	5,9
	rarely	8	15,7	15,7	21,6
	sometimes	11	21,6	21,6	43,1
	frequently	17	33,3	33,3	76,5
	always	12	23,5	23,5	100,0
	Total	51	100,0	100,0	

Table 17 - Level of definition of development plan after performance evaluation

Definition of development and training needs					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	2	3,9	3,9	3,9
	Low	5	9,8	9,8	13,7
	medium	11	21,6	21,6	35,3
	good	21	41,2	41,2	76,5
	high	12	23,5	23,5	100,0
	Total	51	100,0	100,0	

Table 18 - Performance evaluation implication level on the definition of development and training needs

Even though having some companies already with evidence of Management Development practices (as seen on previous data), we realize that half of them (52,9%) do not evaluate the return on investment (ROI) regarding the applicability of such programmes. We have 41,2% of the sample that assumes evaluating once a year and only 5,9% does it from 6 to 12 months (Table 19).

Periodicity of evaluation on ROI					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	6 to 12 months	3	5,9	5,9	5,9
	once a year	21	41,2	41,2	47,1
	don't evaluate	27	52,9	52,9	100,0
	Total	51	100,0	100,0	

Table 19 - Periodicity of ROI evaluation regarding Management Development practices

After being able to understand the level of compromise that our respondents have towards MD policies, it was necessary to appreciate if the organizations really profit from these practices by recruiting managers internally. We can see below (Table 20) that intermediate managers are the most used managers with 52,1% of the answers, followed by junior managers (25,4%) and, senior managers being the least used for new functions (19,7%). We also had 2,8% of the respondents that did not know how to answer regarding this topic.

Internal Recruitment		
Senior Manager	14	19,7%
Intermediate Manager	37	52,1%
Junior Manager	18	25,4%
Don't know	2	2,8%

Table 20 - Internal recruitment

Once scrutinized in detail all MD items approached on the questionnaire, it was important to find out how these same research items were distributed by company's size. Therefore, the most central items were then separately examined using the criteria "Small to Medium Enterprises" and "Large Enterprises" (see below table 21 and 22).

Regarding the existence of MD policies, it was concluded that both types of companies preponderantly affirm having MD policies but unwritten (Small to Medium Enterprises – 46,59%; Large Enterprises – 55,53%). However, it is interesting to realize that 20,07% of SME's and 44,47% of LE's already have written policies. Nevertheless, still 33,34% of SME's do not have or do not know. LE's, on the contrary, do not register percentages on these two possible answers.

When it comes to analyze the companies' level of approach to MD, it is once more consensual as both SME's and LE's preponderantly affirm having a formalized approach (53,4% and 44,4%, respectively). Interestingly enough, SME's register a higher percentage than LE's on this point. However, LE's have a higher percentage of integrated approach when comparing with SME's. Informal approach still plays a role

on both types of companies representing 26,53% and 16,70% to SME's and LE's, respectively.

Pertaining to the average training days per annum, the majority of the SME's affirm having an average of 5 to 10 training days (39,8%) whereas the greater part of LE's go even further having more than 10 days (38,95%). Regarding SME's, there are still 6,8% of them that only have from 0.1 to 1.0 days of training and also 6.8% that do not even know. It is curious to verify that LE's have a consolidated value of 75,06% from 5 to plus than 10 days of training per annum and the lowest reference value (0.1-1.0) does not even register an answer. .

Yet again both company types confirm having an established performance system (SME's – 73% and LE's – 83,3%). However, 27% of SME's affirm not having a performance system or not knowing when compared with the 16,7% of LE's that affirm the same.

The performance system has a good impact on the definition of a development plan and training needs as 33,33% of SME's and 44,48% of LE's tell it so. However, SME's still register a consolidated value of 33,33% of very low to low impact on this definition. It is also relevant to point out that concerning LE's, 27,7% affirm that the performance system has a high impact on this definition.

Both company's dimensions are averagely satisfied with the MD programmes being implemented (SME's – 46,6% and LE's – 38,5%). It is interesting to verify that neither SME's nor on LE's refer having a very low level of satisfaction with MD programmes and MD even plays a medium to good role in big organizational changes (SME's – 66,66% and LE's – 50%).

Even though having already some evidence of MD practices, there is no regular evaluation of the Return on Investment of these practices. The majority of the SME's do not evaluate its return (73,47%) and a great part of LE's only evaluate it once a year (47,17%). Surprisingly enough, 44,48% of LE's do not even evaluate them at all having only 8,35% of LE's that evaluate it on a regular basis (6 to 12 months).

Regarding the role that a strong HR department may play on the corporate strategy (where MD programmes are integrated), SME's assume that it has a medium level of implication (40,14%) and LE's state that it has a good level of influence on the corporate strategy's definition (47,20%). Going into detail, the results show that 33,3% of SME's assume that their HR department has a very low to low impact on corporate

strategy whereas at LE's the referenced value of very low does not even figure on the answers.

	Small to Medium Enterprises					
	don't know	no	yes, unwritten	yes, written		
Existence of MD policies	6,80%	26,54%	46,59%	20,07%		
	informal		integrated	formalized		
Level of approach to MD	26,53%		20,07%	53,40%		
	0.1 - 1.0	1.01 - 3.0	3.01 - 5.0	5.01 - 10.0	>10.0	don't know
Average training days	6,80%	6,80%	33,00%	39,80%	6,80%	6,80%
	don't know		no	yes		
Existence of performance systems	7,00%		20,00%	73,00%		
	very low	low	medium	good	high	
Performance evaluation impact on the definition of development plan and training needs	6,80%	26,53%	20,06%	33,33%	13,28%	
	very low	low	medium	good	High	
Importance of MD programmes in big organizational changes		20,07%	33,33%	33,33%	13,27%	
	don't evaluate		once a year		6 to 12 months	
Periodicity of ROI evaluation regarding MD	73,47%		26,53%			
	very low	low	medium	good	High	
Level of satisfaction with MD programmes		33,33%	46,60%	20,07%		
	very low	low	medium	good	High	
Level of HR Dept's implication on corporate strategy	6,80%	26,50%	40,14%	13,28%	13,28%	

Table 21 - MD indicators according to Small to Medium Enterprises

		Large Enterprises					
		don't know	no	yes, unwritten		yes, written	
Existence of MD policies				55,53%		44,47%	
		informal		integrated		formalized	
Level of approach to MD		16,70%		38,90%		44,40%	
		0.1 - 1.0	1.01 - 3.0	3.01 - 5.0	5.01 - 10.0	>10.0	don't know
Average training days			5,52%	13,90%	36,11%	38,95%	5,52%
		don't know		No		Yes	
Existence of performance systems		5,60%		11,10%		83,30%	
		very low	low	medium	good	high	
Performance evaluation impact on the definition of development plan and training needs		2,80%	2,80%	22,22%	44,48%	27,70%	
		very low	low	medium	good	high	
Importance of MD programmes in big organizational changes		2,83%	8,36%	19,40%	50,00%	19,41%	
		don't evaluate		once a year		6 to 12 months	
Periodicity of ROI evaluation regarding MD		44,48%		47,17%		8,35%	
		very low	low	medium	good	high	
Level of satisfaction with MD programmes			5,52%	38,95%	36,12%	19,41%	
		very low	low	medium	good	high	
Level of HR Dept's implication on corporate strategy			8,40%	33,30%	47,20%	11,10%	

Table 22 - MD indicators according to Large Enterprises

3.3.2 Management Development and organizational performance

Bearing in mind the theoretical possibility of a positive association between MD practices and organisational performance, we used some questions to assess the organizational performance level and the impact of MD in the organization. We also inquired about the role of the HR department in MD. After describing these results we show the main associations between organizational performance measures and MD approach.

First, companies were asked to give their perception on their company's innovation level (Table 23). We noticed that the majority (41,2%) thinks that they have a medium innovation level, contrasting with the 31,4% that acknowledge having a good innovation level. Curiously, the low and high scale levels present the same percentage (13,7%).

Company's innovation level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	low	7	13,7	13,7	13,7
	medium	21	41,2	41,2	54,9
	good	16	31,4	31,4	86,3
	high	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Table 23 - Company's perception of innovation level

Secondly, in order to assess organizational performance, we asked HR managers to compare their performance with their competitors over the last three years regarding: sales growth, market growth, return on sales and return on assets. We realised that only in the return on assets do they consider having a better performance level (47%). Regarding sales growth, market growth and return on sales, the majority of firms find to have an average level of performance in comparison to their competitors' (Table 24).

Comparison with competitors regarding:					
	Low	medium	good	high	Total
Sales growth	12%	41%	35%	12%	100%
Market growth	8%	45%	33%	14%	100%
Return on assets	8%	33%	47%	12%	100%
Return on Sales	10%	39%	37%	14%	100%

Table 24 - Comparison with competitors regarding organizational performance

We also inquired about the importance of MD programmes in their company's big organizational changes. The majority (45,1%) deems that MD programmes have a good level of importance, followed by 23,5% that think that it has a medium level of importance. Those that consider having a high level of importance represent 17,6% of the sample, whereas the low to very low scales represent 13,8% (Table 25).

Importance of MD programmes					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	1	2,0	2,0	2,0
	low	6	11,8	11,8	13,7
	medium	12	23,5	23,5	37,3
	good	23	45,1	45,1	82,4
	high	9	17,6	17,6	100,0
	Total	51	100,0	100,0	

Table 25 - MD programmes' importance level in the big organizational changes

It was also important to determine their satisfaction level with MD programmes and here, opposed to the previous analysed topic, there is evidence of a medium level of satisfaction as predominant feeling (41,2%). When consolidating results, 45,1% of the sample considers having a good to high level of satisfaction with the MD programmes implemented. Only 13,7% state having a low level of satisfaction (Table 26).

Level of satisfaction with MD programmes					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Low	7	13,7	13,7	13,7
	medium	21	41,2	41,2	54,9
	good	16	31,4	31,4	86,3
	high	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Table 26 - Satisfaction level with the implemented MD programmes

Finally, in order to better understand the role of Human Resources Department in corporate strategy, companies were asked to scale their HR Department implication level. It was shown that 37,3% believes that their HR Department has a good implication in the formulation of their company's business strategy, 35,7% considers that their HR has a medium implication, whereas 15,7% has a low to very low implication (Table 27).

Level of HR department implication in the corporate strategy					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	1	2,0	2,0	2,0
	Low	7	13,7	13,7	15,7
	medium	18	35,3	35,3	51,0
	good	19	37,3	37,3	88,2
	high	6	11,8	11,8	100,0
	Total	51	100,0	100,0	

Table 27 - Level of HR Department implication in the formulation of the corporate strategy

In order to find out if there are associations **between Management Development practices and organizational performance** Chi-square tests were implemented. According to Pestana and Gageiro (2003), a chi-square test allows among other things to explore the existing relationships between variables. The Chi-Square Test of Independence (also known as the Pearson Chi-Square Test of Independence) assesses whether paired observations on two variables, expressed in a contingency table, are independent from each other.

The set of Hypotheses is defined as follows:

Ho (null hypothesis): There is no association between the two variables in the table;

H1: There is an association between the two variables in the table.

The p-value (i.e. the probability of obtaining a statistical test at least as extreme as the one that was actually observed, assuming that the null hypothesis is true) is used to accept or reject the null hypothesis. It is common to reject a null hypothesis if the p-value is less than 0.05 (corresponding to a 5% chance). The Chi-square statistic is calculated by finding the difference between each observed and theoretical frequency for each possible outcome, squaring them, dividing each by the theoretical frequency, and taking the sum of the results.

It was performed a Chi-square test between the different items of MD (existence of MD policies; importance of MD programmes in big organisational changes; level of satisfaction with MD programmes; average training days; existence of performance management systems; level of implication of the HR department in the formulation of business strategy;) and organisational performance (market growth, sales growth, return on sales, return on assets and company's innovation level). When associating the different MD items with the organisational performance indicators, we could find 14 out of 35 significant associations, with p-values inferior to 0.05 (Table 28). Regarding the existence of MD policies we could find a positive association with the return on assets ($p < 0.020$). The level of approach to MD also registered a positive association with sales growth ($p < 0.001$). The average of training days per annum is as proved by the test results positively associated with all organisational performance indicators except with the company's innovation level ($p < 0.036$; $p < 0.055$; $p < 0.014$; $p < 0.025$). As well as the existence of MD policies also the existence of a performance system is associated to the return on assets level of perception regarding the competitors. The level of satisfaction with MD programmes indicator positively associates itself with all the organisational performance indicators. On the contrary, the importance of MD programmes in big organisational changes does not register a sole association on a performance level. The HR department's implication in the business strategy's formulation is on its own associated with the return on assets and the company's innovation level.

Pearson Chi-Square					
P values of the test					
	sales growth	market growth	return on assets	return on sales	company's innovation level
Existence of MD policies	,355	,087	,020	,187	,237
Level of approach to MD	,001	,106	,062	,135	,100
Average training days	,036	,055	,014	,025	,195
Existence of performance systems	,361	,393	,041	,302	,520
Level of satisfaction with MD programmes	,003	,015	,027	,001	,000
Importance of MD programmes in big organizational changes	,896	,926	,261	,727	,877
Implication of HR department in the business strategy's formulation	,096	,078	,009	,257	,001

Table 28 - Association between the existence of MD policies and organizational performance

We developed a chi-square test for the same variables but this time relating them with the variable HR department's level of implication in the formulation of the business strategy. This test may possibly also determine if a strongly positioned HR department has an influence in the MD policies process. If so, it might mean that MD may also influence in a way the business strategy formulation.

It was discovered that a strong HR department actually has a positive association with all items associated below (table 29): existence of MD policies ($p < 001$); importance of MD programmes in big organizational changes ($p < 035$); satisfaction level with MD programmes ($p < 001$); average training days ($p < 000$).

We had already found out a positive association between innovation and the existence of an influential HR department in the business strategy ($p < 001$) on table 28.

	Pearson Chi-Square
	P values of the test
Existence of MD policies	,001
Importance of MD programmes in big organizational changes	,035
Level of satisfaction with MD programmes	,001
Average training days	,000
Existence of performance systems	,210

Table 29 - Association between the HR department and MD policies

As it was previously shown, we discovered the following associations between the variables:

1. On a performance level: most of the MD indicators analysed have a positive association with at least one of the organizational performance indicators;
2. On a HRM level: a strong and influential HR department is related to the existence of MD policies and programmes.

3.4 Results discussion

In order to discuss the data obtained, we have subdivided this chapter into two subchapters in order to better understand the results: existence of Management Development practices in Portugal; Management Development and organizational performance.

3.4.1 Existence of Management Development Practices in Portugal

After exposing the data collected, we may say that one can talk of a launch of Management Development practices in the Portuguese context. We show that the majority of the respondents have MD practices but yet, they are not written. As stated by Margerison (1991), companies need to formalise their MD goals through policy statements, which have to be available to all employees. If not, it will eventually not succeed due to the lack of clear policies and pathway.

Regarding the company's approach to MD, it is interesting to capture that most of the companies consider having a formalized approach. This means, according to Mumford (1997) that the majority of our sample perceives MD as a planned process, with an explicit intention in development, often away from normal managerial activities, planned beforehand and/or reviewed subsequently as learning experiences.

It was also confirmed by the sample that the hierarchical superior is still perceived by companies as a good relay between the HR department and the staff. They are seen as a vehicle of HR management outputs (Purcell *et al.*, 2003). The influence of HR professionals in the implementation of these practices was also confirmed by the survey. They are recognized as strategic business partners, helping to guarantee the success of business strategy and putting it into action. This result is quite hopeful regarding the role of HRM in Portuguese firms, and is in the same vein of Cardoso (2004).

Regarding the manager, not only is he held accountable for the MD implemented as the majority of the respondents confirm, but he also participates in his own training plan (Prahalad and Hamal, 1990; Stalk *et al.*, 1992; Pfeffer, 1994; Ulrich, 1997; Luoma 2000). This corroborates van der Sluis and Hoeksema's statement (2001) that "The more learning opportunities, the more opportunities to develop knowledge and skills (...) the more likely the marketability" of the manager's profile. Nevertheless, other

actors, such as external bodies, senior managers, among others are also held responsible for MD implementation, as confirmed by Mabey and Salaman (1995), Mumford (1997), and Jansen *et al.* (2001).

When it comes to the usage level of MD programmes we found out that in spite of the programme used (formal training, on-the-job training, international experiences, among many other), these programmes are in fact a current practice in our sample (Beardwell *et al.*, 2004), and that only a minority affirms using them very little.

Concerning the average training days, it was shown that the respondents consider it of high importance as the majority declares having from 3 to 10 or more days per annum, which enables to develop the manager's competencies (Macdonald and Smith, 1995; Becker and Huselid, 1998; Heraty and Morley, 2003).

The existence of a performance management system is of high importance to authors like McClelland, (1994), Mabey and Salaman (1995), van der Sluis and Hoeksema (2001) and Beardwell *et al.* (2004), as they consider that performance management is a valuable way of separating the good from the bad professionals. Setting performance objectives, measuring its outcomes, giving the manager feedback on the results will make it possible to set up objectives and activities in order to enhance a specific manager's performance. All of these items are covered by most of the inquired companies.

A big part of the population inquired goes the extra mile in order to develop all these MD techniques, but in the end do not evaluate on a regular basis the ROI of this investment. As affirmed by Goodge (1998), companies should formally evaluate MD practices with regularity (6-12 months). Longenecker and Ariss (2002) go even further and state that in order to have the manager's skills and performance improved the learning experience should be followed by ongoing review. Here we are saying that the majority of companies in our sample, which have more than 250 employees, some private and some stately owned, are investing large amounts of money in MD practices but in the end do not evaluate the return of this investment. Having such an indicator comes to terms with the indicator "level of satisfaction with MD programmes" which presented 54,9% of low to medium responses. It is difficult to have a good level of satisfaction perception when the majority does not even evaluate these programmes.

After analysing that some MD policies are already being put into practice, it was no surprise that we discovered that the companies in our sample considered that the most capable managers to change functions (internal recruitment) - who are usually the ones with more MD experiences- were the intermediate ones (52,1%). Senior managers are least used, probably because they are already in the top of their careers, and so it is difficult to find them a different and better job.

When going even further and separately analysing pivotal MD items by company's size, we discovered interesting facts. We found out that both samples (SME's and Large Enterprises) commonly admit having a good implementation of some MD policies but with evident differences. LE's are preponderantly a step ahead regarding all items analysed when compared with SME's.

In general, both samples are averagely satisfied with the MD programmes but surprisingly enough they evaluate with low regularity the return on investment of these same programmes. The majority of SME's do not evaluate it and still almost half of LE's do not evaluate it. As stated by Goodge (1998) it is important to evaluate them in order to understand what needs to be improved. It is surprising that some of these companies do not take these programmes to the next level: not only implementing them but also improving them in order to better profit from its contribution.

3.4.2 Management Development and organizational performance

We tried to identify relationships between Management Development practices and organisational performance, as seen in the results summarised on table 28.

In order to analyse the relationship between MD practices and organisational performance, we used several measures such as: importance of MD programmes in the big organisational changes; HR department implication level in the formulation of business strategies; average training days per annum and existence of performance system. Most of these relations have statistical relevance, with the exception of the importance of MD programmes in big organizational changes. Moreover, it is important to highlight that the training days, and the level of satisfaction with MD programmes are significantly related with almost all the organizational performance indicators. Being so, it is a good way of affirming that "competence comes from the inside out" (Luoma,

2000: 145), and that internal capability somehow explains why companies can be long-lastingly superior to their peers in the area of business they work in – competitive advantage (Ulrich and Lake, 1990; Stalk *et al.*, 1992; Long and Luoma, 2000).

We have also analysed the relationship between a strong HR Department that has a word to say when it comes to define the company's business strategy with the different aspects of MD policies: existence of MD policies; importance of MD programmes in big organizational changes; level of satisfaction with MD programmes; average training days and existence of performance systems. If this department is strong it will make a statement not only in the strategy's definition but in the performance (Fox and McLeay, 1991; Winterton and Winterton, 1996; Purcell *et al.*, 2003). Being MD a domain in the HRM, we discovered that the HR Department has a positive influence when it comes to the most relevant MD items (analysed above).

Regarding the association between innovation and a strong HR Department, as substantiated by Thomson (2000), innovative companies use a bigger portion of their MD budget than less innovative companies. We learnt that a strong HR department is associated with high levels of innovation, so we can suggest that companies that are more aware of the HRM importance and invest more in this domain, have more probability of being innovative.

4 Chapter - Conclusion, contribution to management and research limitations

This study aimed at looking for the existing management development practices in the Portuguese company context, their main characteristics regarding whether they assume a strategic tone in the organization, and are related with organizational performance and innovation.

The findings show that we can talk of an emergence of Management Development policies, a process in-the-making in the Portuguese company context. Most of the companies of our sample affirm having MD policies. Moreover, they carry out a range of practices that are in the correct path to having Management Development as an intrinsic feature in the organization, such as training and a performance management system, based upon the active participation of the manager being appraised. Nevertheless, a big part of the sample inquired goes the extra mile in order to develop all these MD techniques but in the end they do not evaluate them on a regular basis. Therefore, the last step of every strategic process, evaluation, is not yet being achieved, which means that the strategic tone of MD is not yet fully present.

Regarding the relation between MD and organizational performance, it was learnt that MD policies and programmes are related to organizational performance. We also discovered that a strong and influential HR department (on the business strategy) has a great weight in the usage level of some MD practices.

One of the main contributions of this study was to fill in a gap in Management Development research in Portugal. Even though it is a thoroughly debated theme worldwide, evidence of such a study on a national level had not yet been found. It is also an important contribution to managers in Portugal as it portrays, in a certain extent, a picture of the current state of practice. Not only managers in general can benefit from this study but, most importantly, the Human Resource professional, as he is considered by many, and by our respondents in particular, as the main responsible for delivering MD in the company.

Bringing into light the association between important MD policies and organizational performance indicators, and the association between an influential HR department and the existence of MD, are also significant contributions.

Regarding the first association we may risk to say that perhaps MD practices might influence organizational performance. This fact may be explained by the specificity of the sample being analysed, which is mostly composed of large companies. According to Cardoso (2004) large companies tend to have a more strategic HRM. In fact our research also shows that large organizations are more prone to integrate and develop this kind of practices, perhaps due to the financial possibilities and innovation level. However, this does not mean in no way that SME's are not able to develop them. The sample collected regarding SME's however shows already good signs of development and valorisation of these practices. Concerning the second association it is also obvious that a strong HR department has a large influence on the usage of MD policies. This comes to prove that the HR professionals should be "critical contributors to competitiveness" (Luoma 2000:145) and MD is a good way of achieving it as seen on the first association.

This research should be repeated in a large sample, including for instances more SMEs, to check if the results are the same. This leads to the sample dimension, one of the study's limitations, as it solely cannot represent at fullest the Portuguese reality. Nevertheless, this study did not use a representative sample but a convenient one, as representativeness has high costs associated and all the difficulties inherent to the fact of wanting to inquire a representative sample (Ghiglione and Matalon, 2005). Therefore, these limitations should be seen as incentives to further research.

Moreover, additional statistical analysis, such as regression analysis, can be done in order to improve the research validity. That is, to analyze to what extent HRM domain and MD, impact upon organizational innovation, and performance.

Another limitation of this research is the use of a single key respondent, in our case the HR Director, and therefore a biased or subjective perspective. Although, this is a common approach in management studies (Piekkari and Björkman, 2009) and the respondents of this questionnaire, the Human Resource Directors tend to be, given the functions performed, the individuals who, within the organizations, are expected to possess a more profound knowledge of the issues analysed.

Finally, we need to be cautious about the results interpretation avoiding cause-effect conclusions. We challenge those who want to endeavour on this research to develop qualitative longitudinal studies that may allow understanding the above mentioned

relations, by capturing the dynamic and the development of these practices and consequences.

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Annex A – Questionnaire and measurements

Exmo. (a) Sr.(a) Director(a) do Departamento de Recursos Humanos,

A Faculdade de Economia do Porto está, no âmbito do Mestrado em Economia e Gestão Internacional, a desenvolver um estudo numa área ainda pouco trabalhada em Portugal a nível académico mas que tem vindo a ser estudada há mais de três décadas a nível internacional: Desenvolvimento de Gestão (Management Development).

Assim sendo, faríamos muito gosto em ter a presença da sua empresa neste estudo pioneiro em Portugal de forma a obter resposta à seguinte questão: ” Que tipo de desenvolvimento de gestão em Portugal?”.

Desenvolvimento de gestão nada mais é do que um conjunto de práticas a nível dos Recursos Humanos que a empresa define de forma a garantir a disponibilidade de colaboradores motivados e qualificados para posições estratégicas. Estas práticas vão desde formações, planos de carreira, avaliação de desempenho, coaching, mentoring, entre outras.

O inquérito é anónimo e confidencial, servirá apenas para fins académicos e não lhe levará mais de 10 minutos a responder.

Agradecemos a sua colaboração já que a sua resposta é fundamental para a concretização deste estudo. Junto deixamos um contacto telefónico para o caso de existirem dúvidas durante o preenchimento: 96xxxxx. Por favor aceda ao link em baixo indicado de forma a poder responder ao inquérito.

<http://www.screator.net/showform.php?f=1400489146>

O inquérito consiste numa página apenas. Por favor tente responder ao máximo número de perguntas possível. Caso tenha alguma dificuldade em fazer o upload do inquérito, por favor contacte-nos.

Melhores cumprimentos,

Ana Oliveira

(Estudante na Faculdade de Economia da Universidade do Porto)

Teresa Proença

(Professora de Gestão de Recursos Humanos – Faculdade Economia do Porto)

Desenvolvimento de Gestão em Portugal

Este questionário não lhe levará mais de 10 minutos a responder. O questionário é composto por uma página apenas. Tem um limite de 60 minutos para poder validar as respostas às questões. Por favor tente responder ao número máximo de perguntas possível pois todas são muito importantes para a elaboração do estudo.

Obrigada!

1/26

1. Sector de actividade:

1.

2/26

2. N° total de funcionários:

1.

3/26

3. N° de gestores / n° total de funcionários:

1.

4/26

4. Volume de negócios 2008

1. >250 Milhões €
2. 50 - 250 Milhões €
3. <50 Milhões €

5/26

5. Balanço total 2008:

1. >40 Milhões €
2. 7 - 40 Milhões €
3. <7 Milhões €

6. No contexto da sua organização qual o nível de inovação?

1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 - elevado

7/26

7. No contexto da sua organização qual o nível de implicação do departamento de RH na formulação da estratégia empresarial?

1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 - elevado

8/26

8. Existem políticas de desenvolvimento de gestores na sua organização?

1. Sim, escritas
2. Sim, não escritas
3. Não
4. Não sei

9/26

9. No contexto da sua organização, defina os responsáveis pelo desenvolvimento de gestores:

1. Departamento de RH
2. Superior hierárquico
3. Colegas
4. Mentores
5. Gestores seniores

- 6. Órgãos externos (faculdades, instituições de formação)
- 7. O próprio gestor
- 8. Outros, especifique

10/26

10. No contexto da sua organização qual o nível de participação dos gestores no planeamento da sua formação?

- 1. 1 - baixo
- 2. 2
- 3. 3
- 4. 4
- 5. 5 - elevado

11/26

11. Defina o tipo de abordagem da sua organização relativamente a planos de desenvolvimento de gestores:

- 1. Informal (processos acidentais)
- 2. Integrada (processos como resultado de oportunidades)
- 3. Formalizada (processos planeados com antecipação)

12/26

12. Qual o nível de utilização dos seguintes programas de desenvolvimento de gestores na sua organização?

	1-baixo	2	3	4	5-elevado
MBA's	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
formação na empresa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
conferências e seminários	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
formação externa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
rotação de funções	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

aprendizagem in loco	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Coaching	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mentoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
planeamento de carreira	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
missões internacionais	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
treino na função (on the job training)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
participação em projectos desenvolvidos em equipas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
tempo livre para formação formal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nenhum	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>		

13/26

13. Qual o nº médio de dias de formação por gestor por ano na sua organização?

1. 0.1-1.0
2. 1.01-3.0
3. 3.01-5.0
4. 5.01-10.0
5. >10.0
6. Não Sei

14/26

14. Existe um sistema de gestão de desempenho de gestores?

1. Sim
2. Não
3. Não Sei

15/26

15. No caso dos gestores, o sistema de gestão de desempenho envolve o estabelecimento de objectivos individuais de desempenho?

1. 1 Nunca
2. 2
3. 3
4. 4
5. 5 Sempre

16/26

16. Os gestores participam na definição dos seus objectivos de desempenho?

1. 1 Nunca
2. 2
3. 3
4. 4
5. 5 Sempre

17/26

17. Os resultados de desempenho de cada gestor são avaliados?

1. 1 Nunca
2. 2
3. 3
4. 4
5. 5 Sempre

18/26

18. O gestor recebe feedback personalizado sobre o seu próprio desempenho?

1. 1 Nunca
2. 2
3. 3
4. 4
5. 5 Sempre

19/26

19. Como resultado do processo de avaliação do gestor, é estabelecido um plano de desenvolvimento?

1. 1 Nunca
2. 2
3. 3
4. 4
5. 5 Sempre

20/26

20. No contexto da sua organização qual o nível de impacto da avaliação de desempenho na definição de necessidades de desenvolvimento / formação?

1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 - elevado

21/26

21. Qual o nível de alargamento do conteúdo das funções dos gestores nos últimos anos?

1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 - elevado

22/26

22. Em caso de recrutamento interno de gestores para determinada função qual o tipo de gestor preferencialmente escolhido?

1. gestores seniores
2. gestores intermédios
3. gestores juniores
4. Não sei

23/26

23. Qual o nível de importância dos programas de formação e desenvolvimento de gestores nas grandes mudanças organizacionais?

1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 - elevado

24/26

24. Tendo em conta o desempenho dos seus concorrentes nos últimos 3 anos, como compara o desempenho da sua organização em relação:

	1- muito pior	2	3	4	5- muito melhor
ao crescimento das vendas?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
ao crescimento da quota de mercado?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
à rentabilidade das vendas?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
à rentabilidade dos activos?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25/26

25. Com que periodicidade avaliam o ROI (rentabilidade) dos programas de desenvolvimento de gestores?

1. 6 a 12 meses
2. de ano a ano
3. não avaliam

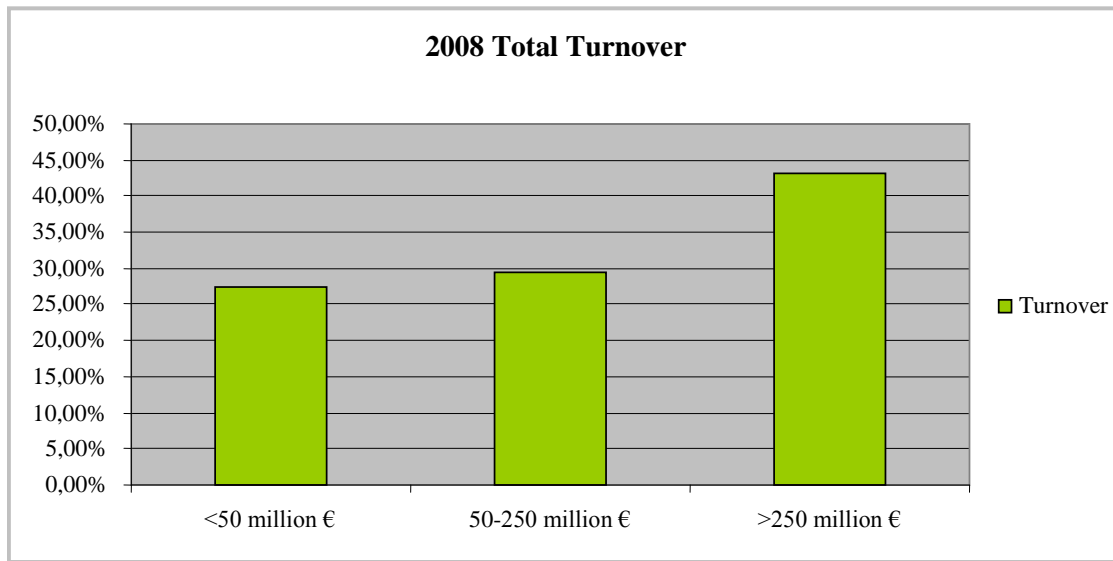
26/26

26. Qual o nível de satisfação da empresa com os resultados dos programas de desenvolvimento de gestores?

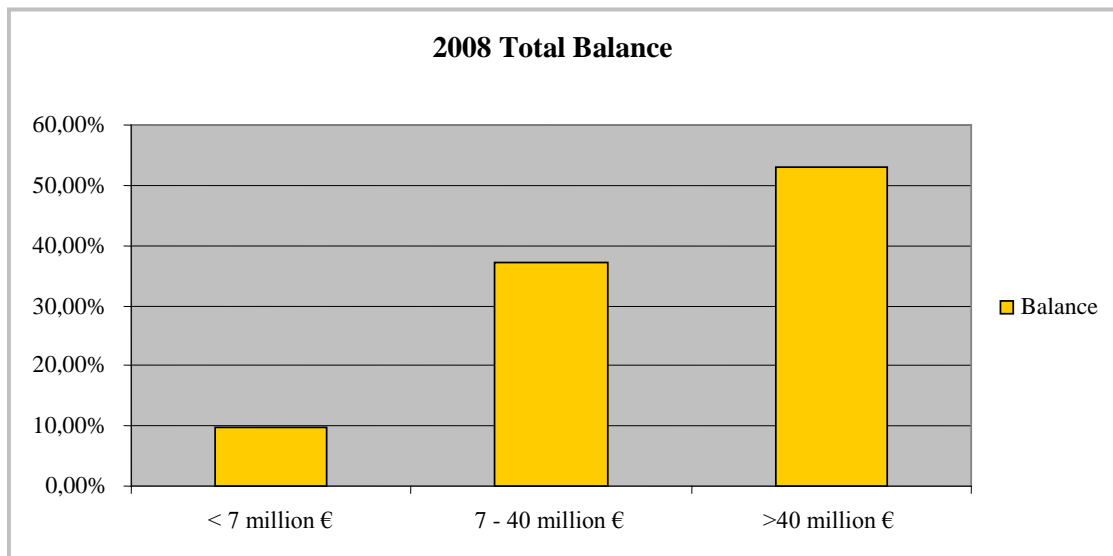
1. 1 - baixo
2. 2
3. 3
4. 4
5. 5 – elevado

Send

A.1 2008 Total Turnover



A.2 2008 Total balance



Annex B – Data analysis

Table B.1: Usage level of management development programmes (training, assignments)

MBA's					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	26	51,0	51,0	51,0
	Low	8	15,7	15,7	66,7
	medium	10	19,6	19,6	86,3
	Good	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Internal training					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	4	7,8	7,8	7,8
	Low	2	3,9	3,9	11,8
	medium	10	19,6	19,6	31,4
	Good	17	33,3	33,3	64,7
	High	18	35,3	35,3	100,0
	Total	51	100,0	100,0	

Conferences and seminars					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	1	2,0	2,0	2,0
	Low	5	9,8	9,8	11,8
	medium	15	29,4	29,4	41,2
	Good	16	31,4	31,4	72,5
	High	14	27,5	27,5	100,0
	Total	51	100,0	100,0	

External training					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	1	2,0	2,0	2,0
	Low	8	15,7	15,7	17,6
	medium	18	35,3	35,3	52,9
	Good	13	25,5	25,5	78,4
	High	11	21,6	21,6	100,0
	Total	51	100,0	100,0	

Job rotation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	13	25,5	25,5	25,5
	Low	10	19,6	19,6	45,1
	medium	13	25,5	25,5	70,6
	Good	12	23,5	23,5	94,1
	High	3	5,9	5,9	100,0
	Total	51	100,0	100,0	

In loco learning

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	5	9,8	9,8	9,8
	low	3	5,9	5,9	15,7
	medium	14	27,5	27,5	43,1
	good	18	35,3	35,3	78,4
	high	11	21,6	21,6	100,0
	Total	51	100,0	100,0	

Coaching

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	14	27,5	27,5	27,5
	low	10	19,6	19,6	47,1
	medium	20	39,2	39,2	86,3
	good	5	9,8	9,8	96,1
	high	2	3,9	3,9	100,0
	Total	51	100,0	100,0	

Mentoring

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	18	35,3	35,3	35,3
	low	17	33,3	33,3	68,6
	medium	12	23,5	23,5	92,2
	good	3	5,9	5,9	98,0
	high	1	2,0	2,0	100,0
	Total	51	100,0	100,0	

Career planning

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	8	15,7	15,7	15,7
	low	14	27,5	27,5	43,1
	medium	11	21,6	21,6	64,7
	good	15	29,4	29,4	94,1
	high	3	5,9	5,9	100,0
	Total		51	100,0	100,0

International assignments

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	20	39,2	39,2	39,2
	low	7	13,7	13,7	52,9
	medium	9	17,6	17,6	70,6
	good	12	23,5	23,5	94,1
	high	3	5,9	5,9	100,0
	Total		51	100,0	100,0

On-the-job training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	4	7,8	7,8	7,8
	low	5	9,8	9,8	17,6
	medium	14	27,5	27,5	45,1
	good	20	39,2	39,2	84,3
	high	8	15,7	15,7	100,0
	Total		51	100,0	100,0

Team Development Programmes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	5	9,8	9,8	9,8
	low	7	13,7	13,7	23,5
	medium	14	27,5	27,5	51,0
	good	18	35,3	35,3	86,3
	high	7	13,7	13,7	100,0
	Total		51	100,0	100,0

Time available for formal training					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	13	25,5	25,5	25,5
	low	12	23,5	23,5	49,0
	medium	18	35,3	35,3	84,3
	good	6	11,8	11,8	96,1
	high	2	3,9	3,9	100,0
	Total	51	100,0	100,0	

None					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	43	84,3	84,3	84,3
	low	1	2,0	2,0	86,3
	medium	5	9,8	9,8	96,1
	high	2	3,9	3,9	100,0
	Total	51	100,0	100,0	

Table B.2: Development leads to function broadening / enlargement

Functions enlargement/broadening					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very low	2	3,9	3,9	3,9
	low	8	15,7	15,7	19,6
	medium	12	23,5	23,5	43,1
	good	22	43,1	43,1	86,3
	high	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Table B.3: Comparison with competitors in the last 3 years regarding sales growth, market growth, return on assets, return on sales (Kaya, 2006)

Sales growth					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	low	6	11,8	11,8	11,8
	medium	21	41,2	41,2	52,9
	good	18	35,3	35,3	88,2
	high	6	11,8	11,8	100,0
	Total	51	100,0	100,0	

Return on assets					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	low	4	7,8	7,8	7,8
	medium	17	33,3	33,3	41,2
	good	24	47,1	47,1	88,2
	high	6	11,8	11,8	100,0
	Total	51	100,0	100,0	

Market growth					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	low	4	7,8	7,8	7,8
	medium	23	45,1	45,1	52,9
	good	17	33,3	33,3	86,3
	high	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Return on sales					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	low	5	9,8	9,8	9,8
	medium	20	39,2	39,2	49,0
	good	19	37,3	37,3	86,3
	high	7	13,7	13,7	100,0
	Total	51	100,0	100,0	

Table B.4: Chi-square tests: Existence of MD policies * organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Existence of MD policies	Don't know		2,0%			2,0%
	No	3,9%		2,0%	2,0%	7,8%
	Yes, unwritten	3,9%	25,5%	17,6%	5,9%	52,9%
	Yes, written	3,9%	13,7%	15,7%	3,9%	37,3%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9,942 ^a	9	,355
Likelihood Ratio	9,601	9	,384
N of Valid Cases	51		

		Return on sales				Total
		low	medium	good	high	
Existence of MD policies	Don't know			2,0%		2,0%
	No	3,9%		3,9%		7,8%
	Yes, unwritten	3,9%	23,5%	15,7%	9,8%	52,9%
	Yes, written	2,0%	15,7%	15,7%	3,9%	37,3%
Total		9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12,490 ^a	9	,187
Likelihood Ratio	11,673	9	,232
N of Valid Cases	51		

		Market growth				Total
		low	medium	good	high	
Existence of MD policies	Don't know		2,0%			2,0%
	No	3,9%		2,0%	2,0%	7,8%
	Yes, unwritten	3,9%	21,6%	19,6%	7,8%	52,9%
	Yes, written		21,6%	11,8%	3,9%	37,3%
Total		7,8%	45,1%	33,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15,133 ^a	9	,087
Likelihood Ratio	13,665	9	,135
N of Valid Cases	51		

		Return on assets				Total
		low	medium	good	high	
Existence of MD policies	Don't know		2,0%			2,0%
	No	3,9%		3,9%		7,8%
	Yes, unwritten	3,9%	21,6%	17,6%	9,8%	52,9%
	Yes, written		9,8%	25,5%	2,0%	37,3%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19,750 ^a	9	,020
Likelihood Ratio	18,124	9	,034
N of Valid Cases	51		

Table B.5: Chi-square tests: Importance of MD programmes in big organizational changes * organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Importance of MD programmes	very low		2,0%			2,0%
	low	3,9%	3,9%	3,9%		11,8%
	medium	2,0%	9,8%	7,8%	3,9%	23,5%
	good	5,9%	17,6%	15,7%	5,9%	45,1%
	high		7,8%	7,8%	2,0%	17,6%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6,370 ^a	12	,896
Likelihood Ratio	7,659	12	,811
Linear-by-Linear Association	1,596	1	,207
N of Valid Cases	51		

		Return on sales				Total
		low	medium	good	high	
Importance of MD programmes	very low		2,0%			2,0%
	low	2,0%	3,9%	5,9%		11,8%
	medium	2,0%	11,8%	5,9%	3,9%	23,5%
	good	5,9%	13,7%	15,7%	9,8%	45,1%
	high		7,8%	9,8%		17,6%
Total		9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8,720 ^a	12	,727
Likelihood Ratio	11,684	12	,471
Linear-by-Linear Association	,683	1	,409
N of Valid Cases	51		

		Market growth				Total
		low	medium	good	high	
Importance of MD programmes	very low		2,0%			2,0%
	low	2,0%	5,9%	3,9%		11,8%
	medium	2,0%	9,8%	7,8%	3,9%	23,5%
	good	3,9%	21,6%	11,8%	7,8%	45,1%
	high		5,9%	9,8%	2,0%	17,6%
Total		7,8%	45,1%	33,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5,786 ^a	12	,926
Likelihood Ratio	7,355	12	,833
Linear-by-Linear Association	1,714	1	,190
N of Valid Cases	51		

		Return on assets				Total
		low	medium	good	high	
Importance of MD programmes	very low		2,0%			2,0%
	low	3,9%	2,0%	5,9%		11,8%
	medium	2,0%	11,8%	5,9%	3,9%	23,5%
	good	2,0%	11,8%	23,5%	7,8%	45,1%
	high		5,9%	11,8%		17,6%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14,644 ^a	12	,261
Likelihood Ratio	15,209	12	,230
Linear-by-Linear Association	2,840	1	,092
N of Valid Cases	51		

Table B.6: Chi-square tests: Level of satisfaction with MD programmes* organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Level of satisfaction with MD programmes	low	7,8%	2,0%	2,0%	2,0%	13,7%
	medium	3,9%	21,6%	15,7%		41,2%
	good		9,8%	15,7%	5,9%	31,4%
	high		7,8%	2,0%	3,9%	13,7%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25,364 ^a	9	,003
Likelihood Ratio	24,750	9	,003
Linear-by-Linear Association	6,738	1	,009
N of Valid Cases	51		

		Return on sales				Total
		low	medium	good	high	
Level of satisfaction with MD programmes	low	7,8%	2,0%	3,9%		13,7%
	medium	2,0%	23,5%	9,8%	5,9%	41,2%
	good		11,8%	13,7%	5,9%	31,4%
	high		2,0%	9,8%	2,0%	13,7%
Total		9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27,549 ^a	9	,001
Likelihood Ratio	22,530	9	,007
Linear-by-Linear Association	9,007	1	,003
N of Valid Cases	51		

		Market growth				Total
		low	medium	good	high	
Level of satisfaction with MD programmes	low	5,9%	3,9%	2,0%	2,0%	13,7%
	medium		25,5%	13,7%	2,0%	41,2%
	good		11,8%	13,7%	5,9%	31,4%
	high	2,0%	3,9%	3,9%	3,9%	13,7%
Total		7,8%	45,1%	33,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20,562 ^a	9	,015
Likelihood Ratio	18,022	9	,035
Linear-by-Linear Association	4,154	1	,042
N of Valid Cases	51		

		Return on assets				Total
		low	medium	good	high	
Level of satisfaction with MD programmes	low	5,9%	2,0%	5,9%		13,7%
	medium	2,0%	19,6%	15,7%	3,9%	41,2%
	good		9,8%	15,7%	5,9%	31,4%
	high		2,0%	9,8%	2,0%	13,7%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18,743 ^a	9	,027
Likelihood Ratio	15,831	9	,070
Linear-by-Linear Association	7,098	1	,008
N of Valid Cases	51		

Table B.7: Chi-square tests: Level of HR department implication in the formulation of business strategy * organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Level of HR department implication in the corporate strategy	very low	2,0%				2,0%
	low	3,9%	2,0%	3,9%	3,9%	13,7%
	medium	2,0%	13,7%	17,6%	2,0%	35,3%
	good	2,0%	17,6%	13,7%	3,9%	37,3%
	high	2,0%	7,8%		2,0%	11,8%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18,693 ^a	12	,096
Likelihood Ratio	17,201	12	,142
Linear-by-Linear Association	,004	1	,951
N of Valid Cases	51		

	Return on sales				Total
	low	medium	good	high	
Level of HR department very implication in the corporate strategy low	2,0%				2,0%
low	2,0%	3,9%	5,9%	2,0%	13,7%
medium	3,9%	17,6%	9,8%	3,9%	35,3%
good	2,0%	13,7%	13,7%	7,8%	37,3%
high		3,9%	7,8%		11,8%
Total	9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14,724 ^a	12	,257
Likelihood Ratio	11,298	12	,504
Linear-by-Linear Association	1,925	1	,165
N of Valid Cases	51		

	Market growth				Total
	low	medium	good	high	
Level of HR department very implication in the corporate strategy low	2,0%				2,0%
low	2,0%	3,9%	3,9%	3,9%	13,7%
medium	2,0%	15,7%	13,7%	3,9%	35,3%
good		17,6%	15,7%	3,9%	37,3%

	high	2,0%	7,8%		2,0%	11,8%
Total		7,8%	45,1%	33,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19,439 ^a	12	,078
Likelihood Ratio	15,753	12	,203
Linear-by-Linear Association	,014	1	,907
N of Valid Cases	51		

	Return on assets				Total	
	low	medium	good	high		
Level of HR department very implication in the corporate strategy low		2,0%			2,0%	
	low	3,9%	2,0%	5,9%	2,0%	13,7%
	medium	2,0%	19,6%	9,8%	3,9%	35,3%
	good		9,8%	21,6%	5,9%	37,3%
	high		2,0%	9,8%		11,8%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26,487 ^a	12	,009
Likelihood Ratio	20,710	12	,055
Linear-by-Linear Association	5,234	1	,022
N of Valid Cases	51		

Table B.8: Chi-square tests: Average training days per manager per annum * organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Average training days by manager per year	0.1-1.0	2,0%				2,0%
	1.01-3.0	2,0%		3,9%		5,9%
	3.01-5.0	2,0%	9,8%	7,8%		19,6%
	5.1-10.0	3,9%	23,5%	3,9%	5,9%	37,3%
	>10.0	2,0%	3,9%	17,6%	5,9%	29,4%
	Don't know		3,9%	2,0%		5,9%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26,181 ^a	15	,036
Likelihood Ratio	27,174	15	,027
Linear-by-Linear Association	4,011	1	,045
N of Valid Cases	51		

		Market growth				Total
		low	medium	good	high	
Average training days by manager per year	0.1-1.0	2,0%				2,0%
	1.01-3.0	2,0%		3,9%		5,9%
	3.01-5.0		9,8%	9,8%		19,6%
	5.1-10.0	2,0%	23,5%	5,9%	5,9%	37,3%
	>10.0	2,0%	7,8%	11,8%	7,8%	29,4%
	Don't know		3,9%	2,0%		5,9%

Total	7,8%	45,1%	33,3%	13,7%	100,0%
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Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27,535 ^a	15	,025
Likelihood Ratio	24,023	15	,065
Linear-by-Linear Association	2,458	1	,117
N of Valid Cases	51		

		Return on sales				Total
		low	medium	good	high	
Average training days by manager per year	0.1-1.0	2,0%				2,0%
	1.01-3.0	2,0%		3,9%		5,9%
	3.01-5.0		11,8%	5,9%	2,0%	19,6%
	5.1-10.0	5,9%	17,6%	7,8%	5,9%	37,3%
	>10.0		5,9%	17,6%	5,9%	29,4%
	Don't know		3,9%	2,0%		5,9%
Total		9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24,608 ^a	15	,055
Likelihood Ratio	23,821	15	,068
Linear-by-Linear Association	3,339	1	,068
N of Valid Cases	51		

		Return on assets				Total
		low	medium	good	high	
Average training days by manager per year	0.1-1.0	2,0%				2,0%
	1.01-3.0	2,0%		3,9%		5,9%
	3.01-5.0	2,0%	11,8%	3,9%	2,0%	19,6%
	5.1-10.0	2,0%	15,7%	15,7%	3,9%	37,3%
	>10.0		2,0%	21,6%	5,9%	29,4%
	Don't know		3,9%	2,0%		5,9%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29,482 ^a	15	,014
Likelihood Ratio	25,693	15	,041
Linear-by-Linear Association	6,704	1	,010
N of Valid Cases	51		

Table B.9: Chi-square tests: Existence of performance system * organizational performance (sales growth, return on sales, market growth, return on assets)

		Sales growth				Total
		low	medium	good	high	
Existence of performance system	I don't know	2,0%	2,0%	2,0%		5,9%
	no	3,9%	7,8%	2,0%		13,7%
	yes	5,9%	31,4%	31,4%	11,8%	80,4%
Total		11,8%	41,2%	35,3%	11,8%	100,0%

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6,584 ^a	6	,361
Likelihood Ratio	7,175	6	,305
N of Valid Cases	51		

		Market growth				Total
		low	medium	good	high	
Existence of performance system	I don't know	2,0%	2,0%	2,0%		5,9%
	no	2,0%	9,8%	2,0%		13,7%
	yes	3,9%	33,3%	29,4%	13,7%	80,4%
Total		7,8%	45,1%	33,3%	13,7%	100,0%

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7,203 ^a	6	,302
Likelihood Ratio	7,484	6	,278
N of Valid Cases	51		

		Return on sales				Total
		low	medium	good	high	
Existence of performance system	I don't know	2,0%	2,0%		2,0%	5,9%
	no	2,0%	7,8%	2,0%	2,0%	13,7%
	yes	5,9%	29,4%	35,3%	9,8%	80,4%
Total		9,8%	39,2%	37,3%	13,7%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6,276 ^a	6	,393
Likelihood Ratio	6,715	6	,348
N of Valid Cases	51		

		Return on assets				Total
		low	medium	good	high	
Existence of performance system	I don't know	2,0%	2,0%		2,0%	5,9%
	no	3,9%	5,9%	2,0%	2,0%	13,7%
	yes	2,0%	25,5%	45,1%	7,8%	80,4%
Total		7,8%	33,3%	47,1%	11,8%	100,0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13,156 ^a	6	,041
Likelihood Ratio	12,608	6	,050
N of Valid Cases	51		
