

**Subject: Human Resource Management**



### Development Team

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| Items                 | Description of Module                                                                                |
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| <b>Subject Name</b>   | Human Resource Management                                                                            |
| <b>Paper Name</b>     | Training & Development                                                                               |
| <b>Module Title</b>   | Management Development Methods                                                                       |
| <b>Module Id</b>      | Module no.-31                                                                                        |
| <b>Pre-Requisites</b> | Meaning, Process & Principles of Training & Development                                              |
| <b>Objectives</b>     | To understand the concept, purpose and methods of management development                             |
| <b>Keywords</b>       | Management Development, Coaching, Understudy Assignment. Assessment Centres, Job rotation, Role Play |

## QUADRANT -I

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|------------------------------------------------------|
| <b>1. Module 31 : Management Development Methods</b> |
| 2. Learning Outcomes                                 |
| 3. Introduction                                      |
| 4. Purpose of Management Development                 |
| 5. Methods of Management Development                 |
| 6. Summary                                           |

### 1. Module 31: Management Development Methods

#### 2. Learning Outcomes

After completing this module the students will be able to-

- Concept of Management Development
- Purpose of Management Development
- On the job methods of Management Development
- Off the job methods of Management Development



Source: <https://pt.slideshare.net/>

#### 3. Introduction

Management development has emerged as one of the imminent and complex tasks in the field of human resource management. In the dynamic business world of today the only sustainable competitive advantage with an organisation is its workforce. Therefore, proactive organisations make every bounden attempt to retain competent employees for desired results. They leave no stone unturned in developing their current and prospective employees so that they can completely utilise their potential for meeting their individual as well as organisational goals. Management Development is one such method through which managers in an organisation enhance their knowledge, skills and abilities to improve their performance as well as behaviour at workplace. It not only enhances the skill set of managers for current job but also prepares them for future tasks, which may require specialised knowledge and skills.

#### **4. Purpose of Management Development**

Management Development has multidimensional aspects. The goals of management development are discussed underneath-

- It is used to enhance the knowledge, skills and aptitude of executives so that they can perform more productively on their current and future positions
- To make sure that organisation has an adequate supply of personnel to serve its future requirements
- To open avenues and provide opportunities for managers and help them in their career advancement
- To equip executives with latest trends and knowledge so that they can perform more efficiently and also prevent obsolescence of knowledge

There are various methods of management development available to an organisation. According to the need and requirement of the individual and organisation, various methods are used to provide training and development to the employees. Various methods used for executive development are discussed below.

#### **5. Methods of Executive Development**

A wide variety of methods are frequently used for management development and can be divided into two categories namely on-the-job methods and off the job methods, which are discussed in detail underneath:-

##### **3.1 On-the-job methods**

The main attribute of on-the-job methods is to enhance the ability of the executives while they are performing their job. The prime purpose of the on-the-job method is to train the executive in the real life situation. On the job methods can be further declassified into the following categories:-

- On the job coaching
- Understudy Assignments
- Job Rotation
- Multiple management
- Committee assignments

**3.1.1. Coaching:** This method involves appointment of the immediate superior or an experienced manager as a coach and he or she advises the subordinate in solving the managerial problems or issues posed to him. It is imminent to mention that the coach only guides not teaches the subordinate , i.e. he facilitates him to develop his own approaches to provide solution for the issues under concern. The coach provides periodic feedback and opinion to the trainee or subject under training. Coaching bestows responsibility on the superior for not only preparing their subordinates for day to day programmed decisions but also for non programmed decision making. The advantage of using coaching as a technique for management development is that the trainee is exposed to practical experience and furthermore, it increases his confidence and morale while he takes complex decisions. The disadvantages associated with this method are that the supervisor in some cases may not be able to perform his duty as a coach and neglects his subordinates. In some cases it is possible that they may pass wrong or inappropriate management practices to the subordinate leading to long term losses or problems for the organisation. Also, the ability of the subordinate grows within the limit of his coach's ability. While an organisation uses coaching as a tool for management development it must critically analyse the expertise and experience of the coach. Coaching can be meaningfully used if it is combined with other methods of management development.



**Source:** <http://www.incontact.com/blog/key-steps-to-successful-agent-coaching>

**3.1.2 Understudy Assignment:** Understudy assignments are used by organisations to develop the employee's abilities so that he or she can fill a specific position. In the case of an understudy, usually the trainee is prepared to perform the tasks of his superior. Trainee is the person who may be undertaking the duties and responsibilities of the particular position in the near future. This technique may bear similarities with coaching but in the case of an understudy the manager may choose an incumbent and train him to learn his job, as he may be the prospective successor for his or her position. An understudy can be developed in variety of methods, for instance the manager may collectively handle his day to day decision making with the understudy so that he also can get a know how of the operating problems faced by the manager. The manager can also ask the understudy to analyse and make suggestions and recommendations about certain issues and implications faced by the manager. It is advantageous to use this method because it prepares competent workforce to take key positions whenever a vacancy arises due to promotion, transfer, and retirement etc. This method has mutual benefits for the understudy as well as manager as the understudy gets prepared for the future position and manager is relieved of some of his workload. Furthermore, the organisation is also in a positive position because if the executive leaves suddenly, they may have ready supply of talent to take up his position. The understudy assignment acts as a strong source of motivation as the trainee is aware that he is being prepared for a promotion or higher-level position. But the method of understudy assignment has its own demerits also like the understudy may become over confident because he or she may think that the competition for promotion is over and may not use his complete potential. The other employees may see selection of a particular employee as an act of favouritism. There are chances that the knowledge of the understudy shall be bound by the knowledge of his superior only.

**3.1.3 Job Rotation:** Job Rotation involves logical effort to transfer a manager from one task to another in a planned way. The lateral transfers facilitate the employees to gather wide variety of knowledge and skills across various functions and broadens his outlook towards other jobs as the executive can empathise and appreciate the issues faced by other managers. It is an exercise that helps in learning by experience as an executive who rotates on the job gathers more experience and knowledge as compared to the one who does not rotate on various tasks and positions, thus job rotation can be considered as an effective tool for career development. Also, an employee who rotates on various tasks or positions grows to have diversified skills vis-à-vis the employees who do not rotate leading to development of generalists in the

organisation for higher management positions. A robust job rotation policy helps the organisation to learn about the hidden potential of employees and it can use the skills and abilities of the employee completely to achieve the firm's objectives. Nestle commits a learning environment to its employees and states that it encourages people to develop a learning attitude. The company states that learning is a combination of three categories namely job experiences, relationship based and education based. The company states that to design high quality development plans it is necessary to apply the 70/20/10 principle wherein it states that on the job experiences have the highest impact on professional and personal development, relationship based approaches have a 20% impact and formal training or educational opportunities account for 10% of the people development. Thus Nestle believes that the most impactful development is experience based development which comes through job rotations, domestic mission assignment, stretch assignments etc.



Source: <http://vnmanpower.com/en/job-rotation:-a-cheap-and-a-useful-recruitment-method-bl188.html>

**3.1.4 Multiple Management:** Multiple management refers to establishment of permanent advisory committees, which discusses matters of prominence in business and makes plausible suggestions and

recommendations to the top management. It is imminent to mention here that these advisory committees only make suggestions, the final call for making decision lies with the top management. Many times organisation establish a junior board of directors who discuss all those issues, which are in the purview of senior management. This acts as a potential source for executives who may have an opportunity to succeed the board members. As a tool for management development, it gives the junior managers an opportunity to discuss wide variety of issues facilitating them to gain knowledge and skills in diversified areas. On the other hand it facilitates the top management in identifying their successors and do succession planning and moreover it provides the junior management a practical outlook about working in teams and decision-making.

**3.1.5 Committee Assignment:** In this method, ad hoc committees are made to discuss a specific subject and make useful recommendations and suggestions. Unlike the multiple management system these committees are not permanent but ad-hoc and discuss a specific issue related to some aspect of the organisation. The committee shall analyse the issue in hand and then present the set of suggestions to the departmental head. For example, if an individual is made a team member in an add-on committee that is developing a training program on safety. As a part of the committee the individual will learn about everything related to safety in the organisation and shall also learn the skill of working in a team.

### **3.2 Off the Job Methods**

**3.2.1 Special Courses/ Classroom Training:** The managers and executives now a days are promoted to attend special courses, which are designed by organisations with the aid of experts from professional institutes. In many cases, the executives are prompted and sponsored by organisations to attend management development programs organised by various management institutions for up gradation of knowledge and skills of the managers. Continuing with the Nestle example stated above, although the company believes that 10% of the development is through formal training the high performers at Nestle who have the desire for academic progression are given due support from the company through a tie-up with IIM Kolkata. **Executive General Management Program (EGMP)** and Advanced General Management Program (AGMP) for different levels are undertaken by the executives. There was another program named Leading the Nestle Way program developed by the Nestle group in partnership with London Business School supports development of top management at the company

- **3.2.2 Conferences and Seminars:** Conference refers to coming together of learned individuals on a common platform in an organised manner in which management conference. It is an effective development tool because as a member the person can learn by comparing and contrasting his views to others and shall also make a habit of respecting other people's viewpoint. This tends to provide more workable solutions for the issue, which is under discussion. On the other hand as a leader in the conference the individual gets an opportunity to not only learn but also enhance his leadership skills by motivating people to participate and effectively controlling and dominating the discussion. Conferences and seminars are better than lecture method as they provide opportunity to the participants to actively participate in the complete process. It is one of the most suitable methods to analyse an issue from various angles and provide plausible solutions for solving the problem in hand. Hamburger University of McDonalds, which is considered to be a reputed corporate university, which uses a combination of on the job and off the job modules for management development. Conferences and seminars are also used by the firm to train its middle level managers so that they can gain the skill and capability to run a multi-million dollar restaurant.

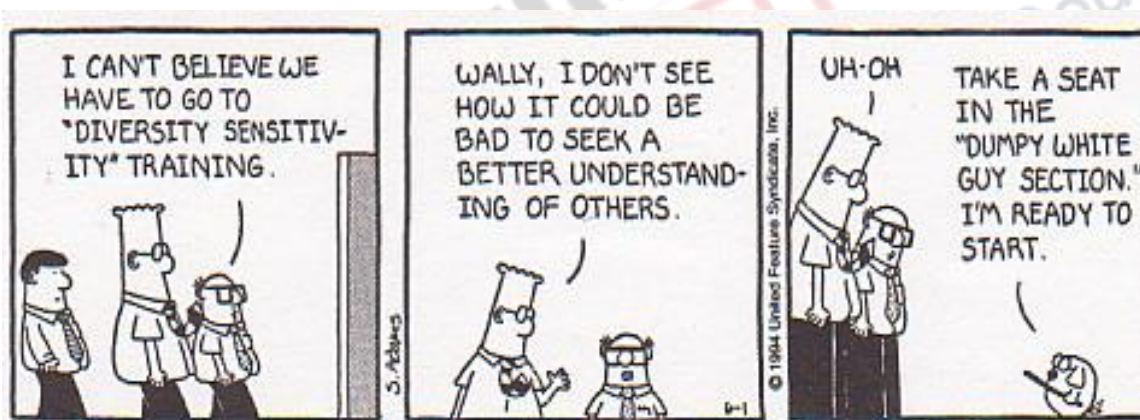


Source: <https://www.allconferencealert.in/blog/upcoming-seminars-conferences/>

**3.2.3 Sensitivity Training/ T-Group Training:** This training is also termed as laboratory training because it takes place under controlled conditions. The effort in such trainings is to develop sensitivity to



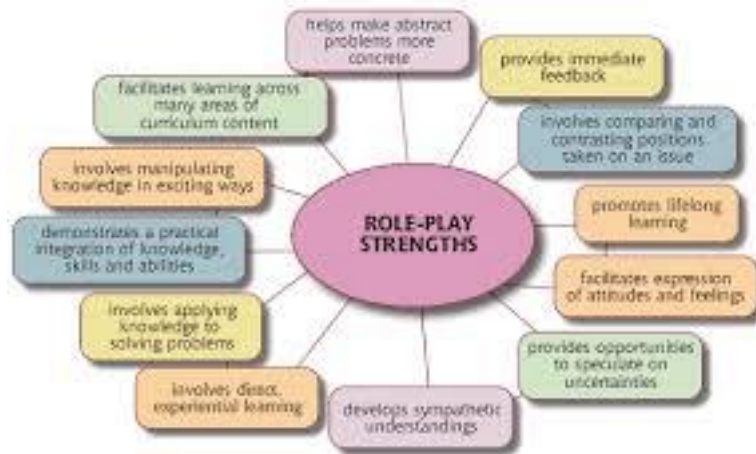
behavioural patterns of self and others. This type of training is given to expatriates in multinationals who work in global locations so that they are sensitised towards the various cultures they work in. The primary function of any sensitivity program is to make executives learn that how groups actually work and secondly to provide an opportunity to each member of the group to learn how others interpret and are affected by their behaviour. Constructive criticism is welcomed in T-Groups and members of the group are free to provide positive or negative feedback as it is for developmental purpose. Sensitivity training plays an instrumental role in facilitating managers to gain the cooperation of their team. It has been observed that sensitivity training is one of the effective methods of training as a large number of people who have undergone this laboratory training observe positive behaviour change. Though T-groups training are very popular it has been highlighted by many thinkers that it may contribute to learnings that are useful in the life of the individual but may not play instrumental role in his professional life and moreover due to open feedback there are chances that in some situations many individuals may highlight psychological reactions as they are not able to bear the true picture.



Source: [http://www.goodreads.com/book/show/85574.The\\_Dilbert\\_Principle](http://www.goodreads.com/book/show/85574.The_Dilbert_Principle)

**3.2.4 Role Playing:** Role-playing is an effective technique, which is primarily used to develop skills of human relations and provide leadership training. This technique also helps an individual to gain knowledge about their own behaviour and its impact on others. To understand it in a simple tone role-playing focuses on enhancing and developing the incumbent's interpersonal skills. This method is an imminent part of communication training and sales training. In the role playing method a proto type situation is created and people are assigned different roles and the person has to act the assigned role. Usually no specific dialogues are given to the individuals, on the contrary they are provided with the description of the situation and the role they ought to play. The role players are given time to prepare and plan for the activity and subsequently play their part in the group. A classic example of a role-playing situation is the conversation between the salesmen making a presentation to a potential buyer. Role-

playing has many benefits, for instance it provides an opportunity for enhancing interpersonal skills and also gives an opportunity to put theory into practice. Sometimes the whole exercise is recorded also so that the participants can watch their performance and perform a self-check on their strengths and weaknesses.



Source: <https://sites.google.com/site/dramainsocialscience/benefits>

**3.2.5 Programmed Instruction/ Learning:** It refers to a self teaching method in which the learner uses self –instruction and moves in an established step by step logical method to gain knowledge about complex principles and theories at his own speed. The instructions are taken through a booklet instead of an instructor and now-a-days automated teaching equipment’s or machines are also used for programmed instruction. In this method concepts and constructs to be learnt are presented in a brief manner with one step at a time. The main approaches of programmed instruction are linear programming and intrinsic or branch programming.

Linear programming is more commonly used in comparison to branching programming. The father of linear programming is B.F. Skinner and the idea of linear programming is based on the theory of operant conditioning which states that it is possible to provide a certain direction to the human behaviour and to achieve the same activities need to be divided into smaller steps and each step needs to be studied and analysed. The primary assumption behind linear programming is that the learner is motivated to learn because the content is presented in smaller units and immediate confirmation of the responses also motivates the candidates and promotes better learning. The information is presented in the form of frames, which only include one element at a time. It is important to mention that each frame can be taught and tested in an independent manner. These frames can also be categorised into four parts namely introductory frame, teaching frame, practice frames and testing frames. Another positive attribute is that this technique is self-pacing, thus more the learner is keen, and chances are more he will work on it. But

long sessions through such methods can prove to be ineffective; thus it can be used for remedial instruction or as enrichment material.

On the contrary in branching programming, which was proposed by Norman L. Crowder, the learner is provided with specific written text material. Once the instruction is provided, a multiple-choice question is generated and the alternative answers are listed with specific page numbers. The learner chooses one of the answers and moves to the mentioned page number; if the answer is correct the student learns from the new material and if the answer is incorrect the mentioned page provides more explanation and the student is provided with material to develop a better background. In practical terms this system can become very complex and cumbersome.

Though programmed instruction provides the learner with the opportunity to learn at his own pace and also provides constant feedback, this method is very costly and time consuming and in many cases there are chances that monotony or boredom may creep in destroying the very purpose of the technique.

**3.2.6 Simulation Methods:** A simulation method makes a sincere attempt to create a situation, which closely resembles a real life situation wherein individuals can learn from their own mistakes.. A brilliant example of simulation method is Infosys program in collaboration with Stanford Graduate School of Business (GSB) to develop a comprehensive executive education program. The program brings together the senior executives of the company with a team of Stanford GSB who will design and deliver a customised strategic leadership development program which involves e-learning, live sessions and assessment centres wherein variety of simulation methods like in-basket exercises shall be used to train about 200 executives who will participate in this program. The three methods of simulation namely In-Basket method, case study and management/business games

**In basket Method:** This method is used to develop decision-making skills of an executive. The material that require the attention of the executive are put in basket and the executive under trainee has to act like a manager and provide plausible solutions for all the issues lying in the basket. Thus, based on his experience the trainee is asked to take requisite action within a specified span of time and it is followed by individual or group discussion. It has been cited that even if the trainee is satisfied, a discussion post the activity provides a broader outlook to the individual as he comes across newer ways and means of solving problem. This method simulates real life problems and doing them in specified time also develops the pressure and tension that the executive may face in real life.

**Case Study :** Christopher R. Langdell, a Harvard professor is behind this innovative and unique method. In this simulation technique a case is presented to an individual or a group for identifying plausible and suitable solutions to a problem. Since cases tend to simulate real life problems; it may include description

of organisations and individuals involves in the case. The learner or the group of learners study the problem and offer possible answers to the problems. It is beneficial to carry out case study in a group format as the participants come to know about other's viewpoint, thus broadening their viewpoint. It is through case studies that people can apply their theoretical knowledge to identify a practical solution of the problem. It is necessary that the learner must have sound theoretical knowledge before he delves into the concerned problem. Also, the success of this method is dependent on the maturity and experience of the guide as he may play an instrumental role in developing analytical thinking and problem solving ability in the learners.

**Management Games:** A management game is a classroom learning technique wherein groups of learners or trainees compete with each other to meet the pre-stated objectives. As it is a simulation exercise sincere efforts are made to make it resemble to the real life situation. Business games or management games provide a proto type setting of an organisation and its business environment, which requires a team of players to make critical decisions with respect to business operations of the organisation. The several teams represent themselves as organisations belonging to the same industry. This method facilitates the individuals to work in a team and also generates an environment of healthy competition. Business games closely simulate reality and immediate feedback is provided regarding the decision made by the teams, thus imbuing motivation amongst the participants. The drawback of this method is that participants tend to get over enthusiastic and the focus is on winning rather than learning. Management or Business games can be simple or complex in nature. If it is simple a referee takes the decision but when it is complex people are usually dependent on machine to deliver results. Another limitation is that business games only represent general situation so sometimes they may be far from reality.

#### **4 Conclusion**

The chapter provides an insight into the concept and purpose of management development. It critically discusses the methods used for management development, which are divided into two sections on the job and off the job methods wherein on the job methods involve coaching, job rotation, understudy and off the job methods include simulation methods like case study, business games, role playing and sensitivity training. Organisations use management development to equip their current employees with latest knowledge and skills so that it can use its potential to meet its organisational objectives.