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# Management education and increased managerial effectiveness

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The case of business managers in Iran

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Abstract This paper addresses the effectiveness of the processes involved in business administration proprammes for managers in Iran. It aims to understand the foundation of appropriate business administration for managers and to explore their views and perceptions in relation to the skills and knowledge required of them. The methodology employed consists of survey questionnaire and fieldwork involving semi-structured interviews as the main sources of qualitative and quantitative data. The respondents were current participants in business administration programs at the Payame Noor University. The study tested the validity and relevance of the "integrated model" of managerial skills in order to identify the required categories of skills and knowledge, namely task, people, and self-related skills. The results showed that a combination of these skills enables the managers to work more effectively. However, there seems to be a gap between what is offered and what managers actually need. Also it was discovered that in Iran business managers tend to place more emphasis on the importance of the task and self-development categories of knowledge and skills rather than the people-related ones. These results have numerous implications for the business schools and other universities who deal with managers in Iran.

#### Introduction

In the past decades substantial numbers of managers and management scholars have been involved in a debate concerning the effectiveness of management (Kakbadse et al., 1983; Analoui, 1999a). It is generally believed that management creates the vital link between economic progress, organisational effectiveness, and people's performance at organisational level. In this respect, managers have played a considerably more significant role in the overall success of their organisations and development of their nations. Despite this increasing interest amongst academics, management trainers and developers, the topic of "managerial effectiveness" has suffered "neglect in comparison with the other areas of management literature such as managerial roles and function" (Willcocks, 1992). The problem is mostly attributed to the presence of a great deal of confusion and ambiguity which surrounds the questions "what is effectiveness?" Who is an "effective manager?" (Brodie and Bennett, 1979). How can increased effectiveness be realised, especially by Journal of Management Development. means of training strategies? (Analoui, 1997).

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The major endeavours which have been made to study "managerial effectiveness" can be divided into two: the work of theorists and researchers who show concern for "objectivity" and "order" by operating within the boundaries of functionalism, as opposed to the contribution of writers (Analoui, 1997, 1999a; Willcocks, 1992) who have attempted to understand managerial effectiveness from an "alternative perspective". The latter theorists place emphasis on the need to understand and consider managers' viewpoints and the level of awareness of their effectiveness.

This paper is based on the result of an empirical investigation conducted in Iran into the foundation and suitability of the business management programmes offered to Iranian managers. The findings of this, first-time, study have formed the basis for the hypothesis that managers show awareness of their need for increased effectiveness and a desire for development (Analoui, 1997, 1999b). Moreover, attempts will be made to explore the views and perceptions of business managers in relation to the skills and knowledge required by them, and whether or not the present programme meets their need for increased effectiveness adequately. Also it needs to be asked whether business managers require specific knowledge and skills in order to remain effective. If so, what categories of managerial skills do they require, and more importantly, whether the position which a business manager occupies in the hierarchy of seniority influences the need for the acquisition of certain types of skills more than others?

## Management schools in Iran

The first business school in Iran was founded in 1954, with the co-operation of the University of Southern California. It was located in the Faculty of Law at the University of Tehran, and was named the Administration Studies Institute. It started its activities with the co-operation of American professors in administration studies, accounting and commerce. Three years later, there was the Faculty of Administration, Industrial and Insurance Management. Today, it is running courses in business management, industrial, and insurance management, and accounting, at undergraduate, master's, and doctoral levels.

In 1962, the Industrial Management Institute (IMI) was established, initiated by the Ministry of Economics to help Iranian industry, as well as the development of management science in the country. The institute at the present time offers a four-week residential senior management education and training programme which has been designed specially for top management in public and private organisations. Later, in the mid 1960s, the National Iranian Oil Company (NIOC), with the co-operation of this school, launched a management training programme for five weeks each year.

With the introduction of the State Employment Law in 1966, training was made a major function of the personnel system, and provisions were made for pre-service and in-service training programmes for civil servants in various ministries and their agencies. Consequently, in 1968, the government decided to establish an education centre responsible for the education of public

administrators, later called the State Management Education Centre. The centre is now actively involved in regular education of administrative and managerial cadres of the gove<del>r</del>nment through its several branches around the country.

Although the centre has a variety of education and research responsibilities, the design and conduct of senior management training programmes is the most important activity. Along with these developments, and specifically during the late 1960s, universities, including Payame Noor University (PNU), in different parts of the country, offered educational and training programmes in public administration and business management. Recent efforts include the introduction of a management curriculum leading to postgraduate degrees in management, like MBA and PhD, by a handful of universities and government-affiliated management education centres. The prevailing style of management education and development in Iran has been to a certain extent oriented towards the traditional approach. An evaluation of the effectiveness of such programmes has been provided by the State Management Education Centre, based on which it is concluded that despite partial usefulness for individual participants, such programmes are far from being an effective vehicle for the development of competent senior managers.

Furthermore, a review of the course content of the strategic management programme which is currently being offered by the Industrial Management Institute indicates that the traditional emphasis is still being placed on cognitive learning and the acquisition of management knowledge as opposed to management skills, and that the technical aspects of managerial work are generally emphasised more. Participants usually question the applicability of the training they receive and have indicated that these programmes are mainly academically oriented. Almost all such programmes lack the systematic assessment of the education needs of the participants, and the traditional prescriptive approach to programme design is usually a dominant practice.

# Research methodology

The fieldwork was carried out in Iran (June-September, 1998). Due to time limitation and cost consideration, a survey questionnaire was used as the main and most appropriate tool for data collection. The survey was carried out by means of a six-part questionnaire, and in order to ensure the validity of the data obtained, a combination of structured and open-ended questions were used. The questionnaire was designed first in English, and then to achieve the objectives of the study, a pilot study was carried out with experts who had experience in using questionnaires in developing countries in order to discover any problems related to design in terms of wording (whether items are simple, direct, and familiar to all respondents) and concepts in order to explore the needs of the managers who were the target of the study. As a result of this consultation, the questionnaire was then modified and subsequently translated into Farsi, the formal language of Iran.

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Also, besides the main questionnaire, supplementary interviews were conducted with several of the respondents and non-respondents to the questionnaire. This was done in order to gain a better mutual understanding of questions and responses, and to ensure the reliability and validity of the data and responses received.

From a total number of 104 managers, 84 questionnaires were returned, of which 75 were useable. This brought a 72 per cent response rate of total useable. The managers who participated in this survey consisted of top (n = 15), middle (n = 33), and junior managers (n = 27). The data collected were then analysed using descriptive statistics.

The importance of the findings of the study should be judged in the light of the strengths and limitations of the methods by which the data were collected and analysed.

As a result, the adoption of "triangulation strategy" for the current research could be seen as the most important strength, which enabled the researcher to look at the research question from two different angles. Applying two approaches, "survey of needs" and "analysis of tasks" on one hand, and employing both qualitative and quantitative methods on the other, the researcher could explore the research questions in more detail and extensively. Another reason for the research methods adopted was based on working for more than 12 years as manager, teacher, and researcher in Iran. It was interesting to see that some of the managers considered the study important to PNU's future, especially because it was the first of its kind to be carried out in the university. They provided a critical perspective and valuable information on the subject of the study. Any limitations of the research, as a whole, resulted from problems encountered in three broad areas: the sample, the questionnaire, and the analysis.

Finally, based on the survey instruments chosen, questionnaire and interview, the researcher managed to complete the task within a three-month period. After that, data analysis was carried out using several techniques, such as quantitative and qualitative methods. The findings are summarised below.

## Respondents' age, and years of service

A large proportion of the managers (81.3 per cent) were male, and only 18.7 per cent of managers were female. This was due to a general trend of male occupancy of managerial positions rather than female. It remains true that in most developing countries, including Iran, the majority of managers in organisations or industries are male. On the whole, organizations seemed to show a preference for male employees. Most managers in these organisations did show a particular preference in gender. It was felt that the male managers were thought of highly and were perceived as being more "reliable" in so far as their effectiveness at work was considered. Otherwise, the number of women in administrative positions in the public sector organisations and educational institutions is considerably high. However, due to cultural and social factors,

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- in Iran, the case of a "glass ceiling" for female managers exists; and
- most female managers have only managed to reach the middle managerial positions.

The age range of the respondents varied, with the youngest manager at 25 and the oldest at 53 years. A large proportion of the respondents were between 35 and 45 years old, 37 (49.3 per cent) of the total number of respondents. The next largest number of managers were in age group 30-35 (n = 29: 38.7 per cent). A few of the respondents were under 30 years old (n = 4: 5.3 per cent); four of the total number of respondents were in the age group 45-50; and one manager was over 50 years old. This indicates that the majority of senior managers (n = 70: 93 per cent) were young. This suggests that age is not seen as an important factor in the appointment of managers. Since the Islamic Revolution in Iran, most senior managers are relatively young. Factors such as displayed commitment, and belief in Islam and the Revolution could probably be considered as decisive factors for becoming a manager.

The majority of the respondents (54.2 per cent) were working in the public sector, while only 36 per cent worked in the private sector and rest of them due to their economic (personal) problems, were working for both the public and private sectors (9.8 per cent). When one of the managers was asked about having two jobs simultaneously, he explained:

I realise that holding two jobs reduces my effectiveness in both jobs, but because of economic problems and supporting my family I have to have two jobs.

More than half of the respondents (53.3 per cent) had between one to three years' work experience, while 21.4 per cent of the total had less than one years' work experience. Thus, it can be concluded that the majority of the respondents surveyed are from the new generation of managers who gained managerial positions after the Revolution. Findings indicate that there seems to be a direct relationship between the seniority level of the respondents and the average years of experience in their present position. This means that the stability of positions held by senior managers is lower than that for middle and lower managers within the hierarchy.

The explanation for this may be that top managerial positions within government ministries are subject to pressures from social and political influence. After the Islamic Revolution in Iran, almost everything became coloured by Islamic ideology. Apart from its influence on organisation, it also influenced the process of selection of managers for higher posts in the organisation. Based on the findings of this study it appears that the majority of managers who have held their position between six to 12 years were managers from the middle management category.

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#### Managers' satisfaction with business management programme

A question was put to the managers in order to ascertain to what extent they are satisfied with the quality of the business management programme (see Table I).

As shown, the majority of the respondents, 45, were dissatisfied (60 per cent, a higher percentage than expected by the researcher), with the quality of the business management programme. The respondents mostly identified more than one reason for the low quality. There are some possible explanations for this. First, the business schools in Iran put the emphasis of their programmes on the theoretical aspects of business management learning rather than the practical ones. It means that all management courses are taught in the classroom, with the lecture being the sole method of imparting knowledge and information. Second, apart from their knowledge of business management theories, most of the university staff and trainers have lacked appropriate work experience, which could be the basis for the low credibility attached to the quality of the university business management programme. Third, there did not seem to be any balance between the three categories of people, task, and self-related skills, and knowledge.

#### Relevance of programme content

In an open-ended question, the respondents were asked to explain what content they would suggest for an effective business management programme in their university. The aim was to understand the foundation of an appropriate business management programme for managers. Although the responses do not lend themselves to any special classification, many suggest that they would like a business management course to cover specialist concepts and theories of business management, specifically those dealing with marketing management, advertising and sales promotion management, and marketing strategy.

In the course of the interviews, many managers commented that they regarded business management as a field which needs to be studied and they were very much interested in acquiring the knowledge and the skills, not only because they are necessary for their work, but also for their personal interest. The most requested types of content were marketing and business; marketing research; business policy (cases/project); international business; special studies/development; and management information systems.

**Table I.**Managers' satisfaction with business management programme

Position	Satisfaction Yes No Total					
	n	(%)	n	(%)	n	(%)
Senior (top) managers Middle managers Junior managers	7 12 11	9.3 16.0 14.7	8 21 16	10.7 28.0 21.3	15 33 27	20.0 44.0 36.0
Total	30	40.0	45	60.0	75	100.0

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#### Quality of business management programme

The respondents were asked to explain what could be done to improve the quality of their programme. The data gathered from the managers indicated that they had different opinions. One of the managers stated:

The concept of quality of education varies from person to person and country to country. If we define the concept in terms of reading the text and memorising it, the quality does not seem too bad. But if one considers the development of problem solving skills and investigating minds as quality, it can not be said well.

Some of the respondents were interested in improving and increasing high quality textbooks, while a number of others emphasised the use of modern techniques in the teaching-learning process such as audio-visual aids. At the same time, some suggested improvement in educational facilities, for example, library and laboratory. In short, managers expressed the opinion that in order to increase the effectiveness of education, more attention must be paid to the practical side.

## Factors to improve programme effectiveness

The respondents were asked to name some factors which they thought would enhance the effectiveness of business management programmes. As shown, apart from the factors already identified, they believed other factors should also be considered as important (Table II).

# Areas of need for business management programme

The respondents were asked what aspects of managerial skills in business management they considered more important for their effectiveness at work. As shown in Table III, the managers, as a whole, perceived the task-related

Different factors	Score	
Familiarise lecturers and students with objectives of distance education	25	
Raise salary of lecturers and resolve their economic problems	15	
More attention ought to be paid to educational technology	14	
Attract and recruit lecturers with high quality skills and knowledge	13	
Provide job satisfaction for staff	11	
More appropriate staff for PNU	10	Table II.
Positive attitude towards lecturer and students	10	Factors to improve
Update textbooks	9	programme
Communication with other universities and institutions abroad	8	effectiveness

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skills such as marketing and strategic management to be as important and essential for increasing their effectiveness at work. In comparison, peoplerelated skills in management education are viewed as slightly less important than the other aspects (mean value 3.20).

The mean score ranking of the three categories of skills presented in Table III indicate that, in general, the manager's increased effectiveness is dependent more on task-related and analytical and self-related categories of skills than that of people-related skills. What managers would like, therefore, is training in a combination of skills and knowledge in the task-related (mean value 3.80) and self-related (mean value 3.43) aspects for their increased effectiveness. Managerial tasks and responsibilities may be divided into three primary areas: managing work; managing self, and managing others. This is referred to as "aspects of management". Stewart explains clearly the nature of the manager's job based on some commonly known features drawn from both theories and proven facts (Stewart, 1963). She makes a distinction in the manager's functions between deciding what to do and arranging for it to be done. The task-related skills demand that the manager should be capable of setting objectives, planning, decision making, and organising the work. The above findings support the related research hypothesis that the category of task-related skills is generally viewed by managers as a more important set of skills when it comes to increasing their effectiveness than the people-related skills.

As shown in Table IV, the comparative analysis of the results indicates that the ability to deal effectively with the task-related aspects of a manager's job is considered more important for the career development of business managers in top management (2 or 2.6 per cent) and middle management (n = 19: 24 per cent), and junior management (n = 16: 21 per cent) levels. Further analysis showed that 26.9 per cent of the respondents believed that self-related skills and analytical categories are essential for their effectiveness. This result complements the earlier findings of the study where the combination of task and

**Table III.**Importance of three categories of skills needed for managers

Required skills	Mean	SD	
1. Task-related skills	3.80	0.92	
2. Self-related skills	3.43	1.10	
3. People-related skills	3.20	1.10	

**Table IV.**Cross-tabulation of respondents by three skills areas required for effectiveness of business managers

Position	Area of required skills					
	Task-related		People-related		People-related	
	n	(%)	n	(%)	n	(%)
Senior (top) managers	2	2.6	10	14.0	3	4.0
Middle managers	19	24.0	7	9.3	7	9.3
Junior managers	16	21.0	2	2.6	10	14.0
Total	36	47.6	19	25.5	20	26.9

However, in accordance with Analoui's findings, the figures in Table IV show that the higher their management position in the hierarchy, the more likely they are to consider the people-related skills as an important category of skills.

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#### Implications and concluding remarks

One interesting issue which has emerged is that business managers require varied skills and knowledge. These consist of task, people, and self-related skills categories. These categories of skills were contributing to their increased effectiveness at work. On the other hand, in reality the identified managerial skills are so overlapping that it is difficult to make a clear-cut distinction between the three categories. The line of demarcation, therefore, can only be drawn theoretically and only for the sake of analytical purposes. As Katz (1974, p. 102) aptly states, "In practice these skills are so closely interrelated that it is difficult to determine where one ends and another begins". Furthermore, there is a clear indication that managers, irrespective of their seniority, require a comprehensive range of managerial skills for their increased effectiveness. Mintzberg (1975) claims that they require managerial skills from an integrated whole, thus implying that no single managerial skill can be ignored if the manager is to do his/her job effectively. Giving consideration to the three aspects of managerial responsibilities, it may be concluded that managers need to acquire three categories of skills for their effectiveness at work; namely, the task-related, people-related, and self-related skills.

The results show that there is a significant gap between managers required skills based on the needs of their organisations and the skills and knowledge which were offered by the business management programme.

PNU, as a main body and pioneer in business management in distance learning in Iran, can benefit from the results of this study. PNU plays the main role in the implementation of the decisions made by the Ministry of Culture and Higher Education of Iran and the Supreme Council of the Cultural Revolution at government level. The following suggestions are made to improve the overall quality of business management programmes:

- Using high quality and experienced authors for writing specialist textbooks: in other words, recruitment of qualified academics for production of course material based on up-to-date research findings.
- Tailor-made programmes. Programmes that are canned or packaged quite often fail because they do not meet the needs of the audience (Murrell, 1984). To avoid this failure, more loosely structured programmes can provide better flexibility for creating tailor-made training activity. Therefore, in view of recent findings in developing

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countries, the traditional approaches employed for training and developing managers, in particular in the business management programmes, are not suitable for increasing managers' effectiveness, since they tend to place inappropriate emphasis on theoretical and cognitive learning as opposed to the required skills and practical applications. The findings of the present study strongly recommend that in order to ensure the increased effectiveness and efficiency of managers at work, there is a need to acquire relevant managerial skills and knowledge in all three identified skills categories of people-related, analytical and self-development, and task-related, with emphasis on the latter two categories rather than the former, through a tailor-made programme.

- The study has led to recognition that the experience and lessons learned concerning management from more developed economies such as the USA may not be meaningful for Iranian management education, and ought to be adjusted to the culture and individual needs of the managers.
- With regard to the findings of the study, since the environment in which Iranian organisations are working is different from that of Western countries, business management theories and practice developed in those countries might have only limited applicability.
- The present study is the first of its kind in the field of business management used in distance education in Iran. It is hoped that in the light of its findings this study business management programme could be designed closer to the related skills and knowledge required by business managers in Iran.

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