

**MANAGEMENT DEVELOPMENT PRACTICES AND NATIONAL
CULTURE: THE CASE OF THE BAHRAINI BANKING SECTOR**

BY

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DEDICATION

**I would like to dedicate this work to all those who have taught me since I was born,
in recognition of their contribution to what I have accomplished.**

ABSTRACT

This research aims to examine and explore the practices of management development in the banking sector in Bahrain and to link the findings to the socio-culture and to the overall environment that prevail in the country. The study investigates three main elements that are believed to be related to management development practices. These elements are human resources planning, managerial career planning and management training activities. Five organisations are surveyed to identify how the Bahraini banks plan and develop their managerial requirement.

The strategy used to accomplish the research objectives is a case study methodology. The required data is gathered by two methods; interviews with personnel specialists and questionnaires to 104 managers from the five banks. Each organisation is treated as a distinct case. However, the findings are combined and a more detailed account of the management development situation in the Bahraini banking sector is drawn. Descriptive statistical analysis is used to highlight the individual managers attitudes towards and their perceptions of management development and training activities within their organisations.

The main conclusion that emerged from this research indicates that management development is subject to influences from both socio-cultural as well as environmental factors. The following points have emerged from this research to characterise the practices of the surveyed banks.

- I. By and large there is a lack of awareness of the significance of human resources planning in general and managerial career planning in particular.
- II. Consequently human and managerial resources planning suffer from inadequate resources in terms of systematic treatment and expertise.
- III. Managerial careers are believed to be influenced to varying degrees by social and personal factors.

IV The limited employment capacity and limited number of managerial positions have persuaded the majority of the banks to opt for external recruitment sources especially for top managerial jobs

V Management training is highly valued by both the personnel specialists as well as the individual managers but clear training policies are not available in most of the organisations

VI Legal-administrative factors do not directly constraint expatriate employment but, Bahrainisation is adopted by all the banks as a theme for their training and development activities

VII The lack of specialised management training institutions in the country plus the high cost of training abroad have been observed by some of the banks as constraints to management training

Many more conclusions, as well as explanations of the situation of management development practices in Bahrain, are discussed in detail in this treatise

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CHAPTER ONE

INTRODUCTION AND OVERVIEW

1.1 Introduction

The main objective of this study is to examine and explore management development practices in Bahrain. The perceived cultural influences on this process are also investigated. Five case studies from the Bahraini banking sector are used to achieve the aims of the research. However the purpose of this chapter is to acquaint the reader with this treatise in a broad sense. Thus the research problem is presented, the objectives are outlined, the adopted methodology is introduced, the significance of the study is discussed and the difficulties encountered in conducting the research are described. Finally the layout of the dissertation is outlined.

1.2 Statement of the Problem

In most developing nations the major concerns, at least publicly, of policy makers as well as political leaders have been the overall development of their countries. Some researchers presume that management is the most crucial factor in the development of the Third World (Blunt and Jones, 1991). Others claim that one of the most critical challenges facing the development process is ineffective management (Murrell, 1984). He argues that:

“Few would disagree that one of the most critical challenges facing the Third World is the training and development of its people” (Murrell, 1984:25).

Paradoxically, however the progress of many management development programmes has been frustrated by some local factors. Hofstede (1983a) relates the failure of transferring many Western management concepts to less developed nations to misunderstandings of some cultural variables.

By and large the need for management development in the Arab World is no less urgent. Yet management development is not given adequate consideration in terms of scientific research. Consequently the concepts and requirements of management development are not fully comprehended (Attiyah, 1991 and Saaduldin, 1989) and its operations are thwarted by some socio-cultural elements (Al-Faleh, 1987 and Al-Rumaihi, 1984). This is the case in the public sector where most of the available literature is related to its practices. On the other hand, although the private sector is emerging as an active contributor to the economies of most Arab countries, very little is known about its management practices. This is the first problem addressed in this study. The second problem to be considered is the lack of understanding of the points of conflict between the Western concepts of management development and the Arab social culture.

1.3 The Objective of the Study

Due to the shortage of research evidence on management development practices, specifically in the private sector in the Arab World, this study takes a broad approach to

examine and explore the prevailing patterns of management development. The objectives of this research can be summarised in four general questions.

1. How do the banks approach human resource planning?
2. How do these institutions plan the careers of their managers?
3. How is management training administered?
4. What are the environmental variables that influence these activities?

These questions represent the prime aims of this investigation. More specific issues are considered under each of these objectives. The first question is concerned with the practices of human resources planning. Thus, the following aspects are probed:

- i. the existence of systematic schemes that are adhered to by the organisations in forecasting and programming their employment needs,
- ii. the length of such plans and the organisational levels they cover,
- iii. the application of job analysis (i.e. job description and job specification),
- iv. what are the factors that help or hinder these activities?

The second question is concerned with managerial career planning and aims to explore the official "organisational" views as well as the individual manager's perception about the actual practices in relation to:

- i. managerial recruitment and selection;
- ii. managerial performance appraisal;
- iii. managerial potential assessment; and,
- iv. managerial succession and promotion planning.

The third question aims to explore the actual situation of management training in the Bahrain banking sector at it is seen from two different points of view, i.e. the official perspectives and the individual manager's perceptions. In this respect the following activities are investigated:

- i. the existence of defined training policies;
- ii. the main objectives of the policies;
- iii. the methods of training needs assessment;
- iv. the criteria used in selecting participants;
- v. the methods of training provided; and,
- vi. the form of training evaluation used.

The final question is concerned with the environmental influences on the process of management development and the elements examined are:

- i. the implication of the prevailing socio-cultural factors (i.e. personal and social ties) on the selection, performance appraisal, potential assessment, promotion and training and development of managers;
- ii. the reflection of the country's stage of development on these processes, (i.e. the economic, political, educational and legal-administrative systems).

Further aims of this study are:

a) to compare the practices of the national institutions with those of the foreign organisations and to identify the differences, if any; and b) to contrast the findings of this research with the related literature and similar previous studies.

1.4 An Overview of the Research Methodology

To achieve the above objectives a case study strategy is adopted. Five banks and 104 managers participate in the study. Each organisation is treated individually. Official as well as individual managers' views are examined to draw a picture of the banks' practices in various activities that are related to management development.

Interviews with personnel specialists are used to gain insights into the organisations' approaches to and attitudes toward management development. In addition the individual managers' perceptions about their organisations practices and their personal dispositions of management development are measured by questionnaires (see Chapter Seven).

The points which emerged from the analyses of the individual cases are combined and examined further against the available evidence and previous research to reach a complete conclusion of the situation of management development in the Bahraini banking sector (see Chapter Eight).

1.5 Significance of the Study

The significance of this research can be seen through its contributions to improve the understanding of the reality of management development in a developing Arabian country, Bahrain, and in raising the awareness of the interested parties of its importance at various levels.

At the academic level the research will support ongoing efforts to fill the literature gap on Arab management development. In this respect this study will provide better understanding of how management development is approached and how its contributions to the performance of both organisations and individual managers are perceived in Bahrain. Furthermore the bearing of some socio-cultural elements on the various stages of the process will be explained. A wide range of variables that are associated with management development are covered and explored to pave the way for future more focused research.

At the national level Bahrain is keen to enhance her reputation as a regional financial centre and to prepare herself to replace Hong Kong in 1997 as an international financial centre. This study should enlighten the country's policy makers on the management development situation in the banking sector and help them to amend current policies to improve the skills reserve of the nation's human resources. This should encourage more financial institutions to open offices in the country.

As this research covers a wide range of management development-related activities its importance to the Bahraini banking institutions in general, and to the surveyed banks in particular, can be seen from the following points:

- i. they will be able to compare their activities with other banks in Bahrain and abroad;
- ii. they will be able to assess the socio-culture interference with the process and deal with its unfavourable aspects;
- iii. they will be able to redesign their management development activities and introduce improvements that are based on more reliable evidences.

At the individual level, managers can use the findings of the study to plan their careers more efficiently because they will have much clearer conception of the opportunities available to them within their work

1.6 The Main Limitations to the Study

Scientific research in general is constrained by factors such as limited resources and facilities. In the social sciences domain the human element is considered an additional obstacle to scientific investigations because people are the main source of data, to gain their full co-operation and obtain accurate information from them is not an easy task. This research project is concerned with a social phenomenon (management practices). It is carried out in a certain environment, Bahrain, and utilises a particular methodology, case study. These elements impose certain difficulties on the study. However the main limitations to the study, can be summarised in the following points

- i. misconception and scepticism of the intentions of researchers by organisations in Arab countries make it difficult for researchers to gain access to these institutions without assistance from influential individuals, this has compelled the researcher to secure such support ;
- ii. limited previous research and evidence, has forced the researcher to cover a large number of variables in this research and not to focus on fewer aspects of management development,
- iii the limitations that are associated with the case study, although taken into consideration in selecting the sample both organisations and individual managers, cannot be overlooked as an obstacle to this research;

iv. the fact that this study is the work of one individual with limited financial resources and time is also a constraint which should be remembered.

1.7 The Layout of the Study

Nine chapters make up this treatise, each serves a set of specific purposes. Chapter One is an introductory preface to the thesis. Its main aim is to acquaint the reader with the problem investigated in this research, its general purpose, the methodology used to accomplish its objectives and its importance to the various parties.

Chapters Two, three and four cover the relevant literature, however their emphases are different. Chapter two discusses the nature of management and managerial work and relates them to the process of management development. The first section of the chapter attempts to answer the question “what is management?” The second section discusses the nature of managerial work from two perspectives, the classical and the modern views. The third section looks at the prospects of future managers. Section four examines the nature and the scope of management development.

Chapter Three explains three groups of theoretical approaches to management development and those aspects of practice that are relevant to the objectives of the study. In the first section the individualistic, the integrated, and the competency-based approaches are examined. The second section focuses on management development practices within organisations.

Chapter Four investigates the relationship between culture and management development. First the concept and scope of culture are introduced. Second some basic assumptions of the study of management in cross-culture are explored and some experiences of management development in different cultures are explored. Thirdly the Arab culture and its main components are presented. Fourth, Arab management, some of its historical roots and some modern characteristics of its practices are explained. In the last part of the chapter the reality of management development in the Arab World as well as some experiences are highlighted with special emphasis on cultural and environmental constraints.

Chapter Five gives a general background on Bahrain as the context of the study. It starts with brief description of the geography of the country. The second section covers the population demographic characteristics, the composition and trends of the labour force and the employment legal framework. The third section examines the educational system with special reference to technical and higher education as well as training programmes. The fourth section examines the Bahraini economy within three different stages of transition. The financial sector, its role in and contribution to the country's economy are discussed in section five. The position of the commercial banks is given additional consideration. Finally the main socio-cultural themes that prevail in Bahrain are underlined as they relate to the research topic.

Chapter Six explains the research methodology applied to achieve the objectives of this study. Firstly, research design and methods, their concepts and the available

choices for management and organisational researchers are examined. Secondly, the strategy adopted in this study is defended and the sources of both the interview questions as well as the questionnaire items are acknowledged. Thirdly, the stages that the research went through are explained. Fourth, illustrations of the main characteristics of the sampled organisations as well as the individual managers are presented. Lastly the limitations and difficulties encountered in carrying out this study and how they were overcome are discussed.

Chapter Seven presents the analysis of the five case studies. Management development practices in each bank are treated in a separate section. The chapter is divided into five identical sections, each concerned with one of the studied organisations and examines its management development practices in detail. The organisation's activities are explored from two different point of views, the official and the individual managers'. The analysis stresses human and managerial resources planning and management training activities.

Chapter Eight is an overview of management development practices in the Bahraini banks. The first section of the chapter integrates the findings of the study that characterise the banks' practices in the field of human resources planning. The second is concerned with the findings that are related to managerial career planing. The third deals with management training activities. The last section provides some contingent explanations of the emerging results in regard to the above three domains. In other words the findings are related to the Bahraini situation as an Arab and developing country.

The final chapter presents the major conclusions of this research. It starts with a summary of the main findings which covers the main aspects of management development that are examined by the study i.e. human resources planning, managerial career planning and management training activities. The second section summarises the contributions of this study to the literature of management in general and to Arab management in particular. Thirdly some recommendations are made to the organisations concerned in the light of the study's findings. Finally a number of suggestions for future research are provided.

CHAPTER TWO

Management Development and Managerial Work

2.1 Introduction

By comparison with other disciplines management, although considered a modern field of study, has drawn a vast amount of research interest since the turn of this century. Many researchers have analysed it in an attempt to understand its nature and to explore its essentials. Nonetheless little agreement has been reached in this respect. Various concepts are used to describe effective management activities and different approaches are employed to evaluate managerial work. This lack of unanimity has resulted in a continuous debate about what determines good management and effective managers. Therefore those concerned with management development inevitably have to encounter this inherited disagreement.

To serve the objectives of this research the nature of management and management development are discussed in this chapter. The main aims here are to clarify some basic concepts and to answer the following questions:

1. What is meant by management?
2. What do managers do? and How?
3. What are the requirements for effective managers?
4. What is management development? and
5. What does it offer to managers and organisations?

2.2 What is management ?

Management as a function and a field of study is barely a century old, yet it has been described as one of the most important social phenomena of this century (Drucker, 1988a; Koontz and Weihrich, 1990). For instance, Drucker (1988a) asserts that management might be the most salient innovation of the twentieth century and argues that

“management as a function, management as a distinct work, management as a discipline and area of study - these are all products of this century” (p.11).

Despite its relative short history, management has drawn a considerable amount of research interest. Many theories have been developed by academics and practitioners alike to analyse and explain this social phenomenon since the days of F.W. Taylor and H. Fayol early in this century. However there is little agreement among researchers on the nature of management and managerial work (e.g. Hales, 1986; Carroll and Gillen, 1987; Easterby-Smith, 1994). This lack of consensus can be attributed to the complex nature of management as a generic term which is subject to various interpretations (Mullins, 1989).

What can be derived from the vast amount of literature, however, is a broad acceptance that management is a set of activities which aim at achieving certain ends. Within organisations management refers to the attainment of organisational objectives by efficient and effective utilisation of available resources and through the efforts of their members (Van Fleet, 1991).

2.3 What Do Managers Do ?

To define management many writers as well as researchers find it helpful to relate it to managerial work (e.g. Easterby-Smith, 1994, Stewart, 1991; Van Fleet, 1991, Koontz and Weihrich, 1990). Stewart (1991) argues that to understand management we need to know the nature of managerial work. This is due to the fact that effective management is connected by most researchers to managerial performance. In this regard Mintzberg (1975:61) contends that

“No job is more vital to our society than that of the manager. It is the manager who determines whether our social institutions serve us well or whether they squander our talents and resources”.

The question “what do managers do?” is a problematic, and at best is partly answered by the evidence provided by studies that were produced over some thirty years (Hales, 1986). However, both the classical management functions first introduced by Fayol (1949) and extended by Urwick (1938) and later analyses and descriptions of managerial work presented by Mintzberg (1973 and 1975), Stewart (1967, 1976 and 1982) and Kotter (1982 a and b) among many others provide useful bases for illustrating managerial work. Therefore, both classifications are briefly discussed below beginning with the classical view.

2.3.1 The Classical Functions of Managers

The classical conceptualisation of the manager’s job which was introduced by Fayol in 1916 and elaborated by Urwick (1938) encompasses planning, organising,

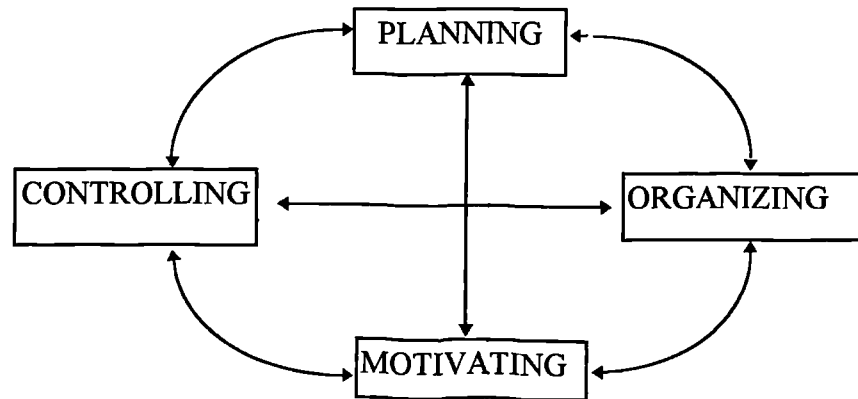
commanding, co-ordinating and controlling. This view of managerial work has stood the test of time (Stewart, 1991). Furthermore, Carroll and Gillen (1987) asserts the usefulness of the classical perspective of management in facilitating our understanding of managerial work and serving the process of management education and development. The researchers support their views by examining text books as well as citing empirical studies that focus on the classical framework of management functions and have proven its relatedness. Several studies show that managers at all levels are involved in planning, co-ordinating, controlling, and problem solving (e.g. Williams, 1956; Hemphill, 1959). Others have found that a large portion of managers' time is allocated to performing basic managerial functions "the PRINCESS" factors (Planning, Representing, Investigating, Negotiating, Co-ordinating, Evaluating, Supervising and Staffing) (e.g. Mahoney, Jerdee and Carroll, 1963; Allen, 1988; Hughes and Singler, 1985). Other studies also validate at least in part Fayol's conceptualisation (Lau, Newman and Broedling, 1980 and Brush and Licata, 1982).

The main implications of the classical view for management researchers indicates the importance of the managerial functions as sound bases for understanding the nature of management. Koontz and Weihrich (1990:4) emphasise that:

"In studying management it is helpful to break it down into five managerial functions- planning, organising, staffing, leading and controlling- around which can be organised the knowledge that underlies those functions. Thus the concepts, principles theory and techniques of management are grouped into these five functions".

It should be realised that although the functions are described as distinct processes, they are interrelated and often overlapping as Figure 2.1 portrays. Each of the five functions are briefly explained next.

Figure 2.1 Interrelated management functions



Source: Hersey and Blanchard (1988:7)

Planning

Planning is the function of managing that paves the way for the other functions and to a great extent, determines the effectiveness of their execution. Planning involves setting organisational objectives, describing the methods and means and making all possible arrangements for the achievement of these objectives. Planning deals with the future through forecasting, hence it entails a degree of uncertainty that may restrict its effectiveness. These restrictions are caused by many variables such as a complex and dynamic environment, change resistance by the organisation's members to avoid uncertainty, unrealistic or poor goal setting and time and cost of planning.

“Planning is an intellectually demanding process; it requires that we consciously determine courses of action and base our decisions on purpose, knowledge and considered estimates” (Koontz and Weihrich, 1990:64).

Therefore managers as planners need to possess abilities that help them to forecast the future based on the results of the past, while considering the nature of the present. They also need knowledge of their environment both internally and externally. Similarly they also need the skills to understand both the human and technical sides of their jobs to minimise the constraints they encounter during the planning process.

Organising

Organising is usually the next function performed after planning. It refers to the structuring of a co-ordinated system of authority, relationships, tasks and responsibilities that assist the progress of attaining the organisational objectives. It is a continuous process that is concerned with shaping the organisation as it grows, shrinks or changes (Van Fleet, 1991). The main elements of organising are designing jobs, defining authority and responsibility and determining the communications channels. In other words it entails departmentalisation of tasks and co-ordination of activities within an organisation. The first involves dividing the organisation into subsystems with defined missions. The latter aims at combining and integrating the efforts of all the sub-units to ensure effective organisational performance. This function demands that managers are well trained in allocating resources to be good communicators and to have a broad vision of the organisation as a whole.

Staffing

The managerial functions discussed so far are concerned with setting the stage for effective work flow through material and technical arrangement. However, the most critical factor in achieving organisational goals is the human element. It is through staffing that institutions acquire their human resources with the right quality and quantity of people if they apply the right criteria in the recruitment and selection aspects of this process. Staffing function can affect organisation in two ways. Firstly, effective staffing increases the general level of competence of employees in the performance of their assigned duties. Secondly, staffing policies have a direct bearing on the mobility of employees from one position to another (Sisk and Williams, 1981). According to Van Fleet (1991:267) staffing includes the following activities:

- I. Human resource planning.
- II. Recruitment and selection .
- III. Training and development .
- IV. Performance appraisal.
- V. Compensation and promotion.

This function requires managers to be able to decide on the right type of people who best meet the organisation's requirement, be good interviewers, trainers and appraisers. These activities require managers to possess human skills to deal successfully with their subordinates.

Leading

In a general sense, leading refers to the process of guiding or inspiring others to reach a certain objective. In this process a person (i.e. the leader) directs the efforts of an individual or a group (i.e. followers) towards attaining certain goals. The leader should establish common grounds to induce the followers' commitment to the objectives. Leadership is concerned with human relationships and social interactions. Because of the involvement of the human factor leadership is considered to be a complex concept that can not be precisely defined (Clemmer and McNeil, 1990).

In the context of management and organisational studies, leadership is believed to be an essential ingredient of managing. Hence, it gained a lot of research attention after the Second World War (Huczynski and Buchanan, 1991). Researchers have attempted to explain and describe the traits and behaviours of successful leaders. Nonetheless, the only substantive conclusion that can be drawn from all these studies is that there is no one best way of being an effective leader (Banner and Blasingame, 1988). However, the hallmarks of leaders are vision, values and skilled behaviour (Clemmer and McNeil, 1990).

Consequently, managers as leaders have to possess all the necessary skills to be able to respond to the demands of their followers, organisations and environments. In other words they have to have human, technical and conceptual or visionary skills to perform their job more effectively through people, in organisations and within the environment.

Controlling

Another basic managerial task is to ensure that all the activities and processes that are performed within his/her jurisdiction are directed towards the organisational objectives. This managerial function also involves the activities that are concerned with immediate pinpointing and correction of any deviation. This is the main core of the controlling function of managers. Moreover, controlling is defined by Van Fleet (1991:17) as *“the process of monitoring and adjusting organisational activities towards goal attainment”*. It is regarded as being closely related to planning (Koontz and Weihrich, 1990).

Controlling plays an important role as an unceasing feedback process that takes place before, during and after managerial actions. At the before stage, the standards are set and the quantity and quality of input resources are arranged. At the during stage the performance is measured and the activities are monitored and both are compared with the standards to spot any deviation and any corrective actions are immediately taken. At the last stage the quality and quantity of outputs are assessed and fed back into the first stage. In this context Huczynski and Buchanan (1991) believe that management control contains the following activities:

1. Setting standards
2. Measuring performance
3. Comparing actual performance with standards
4. Deciding necessary corrective action and feedback. (p. 580).

Managers at all organisational levels need to have capacities that enable them to perform the controlling function effectively.

The classical perspective of managerial work although still supported by many writers and researchers (Carroll and Gillen, 1987) has been criticised by many others. Easterby-Smith (1994) in describing managerial work admits the influence of 'principles of management' on both management education and training.

On the side of the critics, Stewart (1991:19) states that

"Fayol classic description of these tasks as planning, organising, motivating, controlling and co-ordinating has stood the test of time, although the categories are of little help to a manager looking for guidance on how to be more effective".

She believes that there are two limitations of the usefulness of the classical view. The first is that these functions are not exclusively managerial, and the second is that these categories are very general and rather abstract. Mintzberg (1975) found that the normative functions do not hold up and charged that the classical view of what managers do was sheer "folklore". He further challenges the notion that managers are reflective and systematic planners. Kotter (1982a & b) defies the Fayolian view and concludes that managers do not simply perform the classical function, but rather spend most of their time interacting with others. These criticisms of the classical view have been mounted by the advocates of the current view of managerial work (Luthans, 1988). For the sake of comparison this new trend of studying managerial work will be examined next.

2.3.2 Modern perspectives on managerial work

The general and abstract nature of the classical view of managerial work as well as the lack of an unequivocal answer to the question concerning the nature of managerial work have incited many researchers to investigate the matter in more depth. The contributions of these researchers provide a useful summary of the key features of managerial work (Easterby-Smith, 1994). They have built up a picture of what it is like to be a manager (Stewart, 1991). According to Hales (1986) the studies provide helpful descriptions of the elements of managerial work, the distribution of managers' time among the elements, their interactions with others both inside and outside their organisations and the informal or unofficial elements of managerial work. He argues that

“Whilst no individual study or writer is concerned with all of these topics, the topics and their implicit questions are recurring and identifiable features of the accumulated evidence”.(p.90).

Furthermore he remarks that the diversified foci of the studies and the incomparable nature of the categories adopted make it difficult to contrast and combine the findings. However, Whitely(1985) classifies managerial work behaviour into the behavioural content “the common behaviours managers engage in as they carry out their jobs”, and the process characteristics “*the common process characteristics found among managerial jobs*”(p.344 and 345). In this study the modern view of managerial work is discussed and presented under two headings. The first will be concerned with the element of managerial work whilst the second will discuss the characteristics of managerial task.

Essential Elements of Managerial work

Hales (1986) in a critical review and analysis of most of the studies published over the last thirty years concludes that six researchers (i.e. Hemphill, 1959; Mintzberg, 1973; Pheysey, 1972; Sayles, 1964; Kotter, 1982 and Stewart, 1982) have provided a list of elements that together form the content of managerial work (see Table 2.1).

Table 2.1 Substantive Elements of Managerial

<i>Hemphill 1959</i>	<i>Mintzberg 1973</i>	<i>Pheysey 1972</i>	<i>Sayles 1964</i>	<i>Kotter 1982</i>	<i>Stewart 1982</i>
Position elements:	'Managerial roles':	'Position elements':	'Managerial activities':	'Similarities in managerial behaviour':	Recurrent managerial activities:
1. Provided non- operational staff service.	A. Interpersonal:	1. Trouble shooting.	A. Participation in external work-flows via relationships.	1. Setting agendas (planning).	1. Liaison/ contacts.
2. Work supervision.	A1. Figurehead.	2. Forward planning.	A1. Work-flow.	2. Network building (contracts).	2. Maintenance of work.
3. Internal business control.	A2. Leader.	3. Briefing sub-ordinates.	A2. Trading.	3. Network using (persuading, getting things done).	3. Innovation/ risk taking
4. Technical aspects of products markets.	A3. Liaison.	4. Conducting meetings.	A3. Servicing.	4. Implementing agendas (decision making).	4. Setting job boundaries.
5. Human, community and personal.	B. Informational.	5. Reviewing sub-ordinates' progress.	A4. Advising.		B. Managerial jobs.
6. Long-range planning.	B1 Monitor	6. Interest in personal problems.	A5. Auditing.		
7. Exercise of authority.	B2. Disseminator		A6. Stabilizing.		
8. Business reputation.	B3. Spokesman.		A7. Innovation.		
9. Personal demands.	C. Decisional.		B. Monitoring.		
10. Preservation assets.	C1. Entrepreneur C2. Disturbance handler. C3. Resource allocator. C4. Negotiator.		C. Leadership.		

Source: Adapted from Hales 1986 p.94

What can be derived from the findings of the listed studies is that managers perform both technical and administrative functions. These functions as summarised by Hales (1986:95) are:

1. Acting as figurehead and leader of an organisational unit.
2. Liaison: the formation and maintenance of contacts.
3. Monitoring, filtering and disseminating information.
4. Allocating resources.
5. Handling disturbances and maintaining work flows.
6. Negotiating.
7. Innovating.
8. Planning.
9. Controlling and directing subordinates.

A more recent study of managerial work has come up with similar findings (Luthans, 1988). One of the main findings of this study is that real managers undertake four sets of activities. The first group is “communication” which contains exchanging information and writing reports “paperwork”. The second set is “traditional management” which consists of planning, decision making and controlling. The third group of activities is “human resource management” which contains most activities, i.e. motivating, disciplinary, managing conflict, staffing, training and developing. The last set of activities is “networking” which covers activities such as socialising, politicising and interacting with outsiders.

A closer examination of the modern perspective of management and managerial work yields two main conclusions. The first is that the research has provided us with more insights into the subject. This is evident through the detailed description of what managers do. The second is that, despite their contributions to a better understanding of management, the current views on management and managerial jobs are parallel in many aspects to the traditional view (i.e. the classical principles of management). However, studies in this stream have been more revealing about the “how” aspects of managerial work (Stewart, 1991). The “how” question is concerned with the characteristics of the managerial work.

Characteristics of Managerial Work

Evidence from previous studies on the elements of management and managerial work, regardless of the frame of reference of the researchers, indicate that managerial work is complex and very demanding. It involves various inter-related activities and entails many functions and roles which need to be fulfilled by managers.

Effective managers need to perform their jobs to meet the expectation of others’ “demands” by utilising opportunities and doing different things from their counterparts’ “choices” within parameters imposed on them by both internal and external factors “constraints” (Stewart, 1976 and 1991). Hence, she argues that a manager’s day is very fragmented and previous researchers have reported consistent conclusions (i.e. Carlson, 1951 and Stewart, 1967).

Mintzberg (1973 and 1975) contends that managerial work is a function of four closely related factors; the person, the position, the place or situation and the environment, thus it is not helpful to view the manager's behaviour as reflective and systematic. This will not disentangle the complexity of managerial work. Consequently he found that the manager's job is characterised by many brief episodes carried out with a wide range of different people from inside as well as outside the organisation (Mintzberg, 1975).

Sayles (1964) and Kotter (1982) findings show that managers are dependent upon networks of contacts. Therefore, they spend a considerable portion of their time communicating with people both from inside as well as outside their organisation.

The great majority of the studies which concerned themselves with studying managerial work are primarily western ones. However, Doktor (1990) and Boost and Lingo (1992) investigate the pattern of managing in Korea, Japan and China. Doktor (1990) found that Japanese and Korean chief executives had a much less fragmented pattern than their American counterparts. In contrast, Boost and Lingo (1992) found that the Chinese managers, like their American counterparts, work long hours and when compared with Mintzberg's findings, the Chinese managers' work is slightly more fragmented.

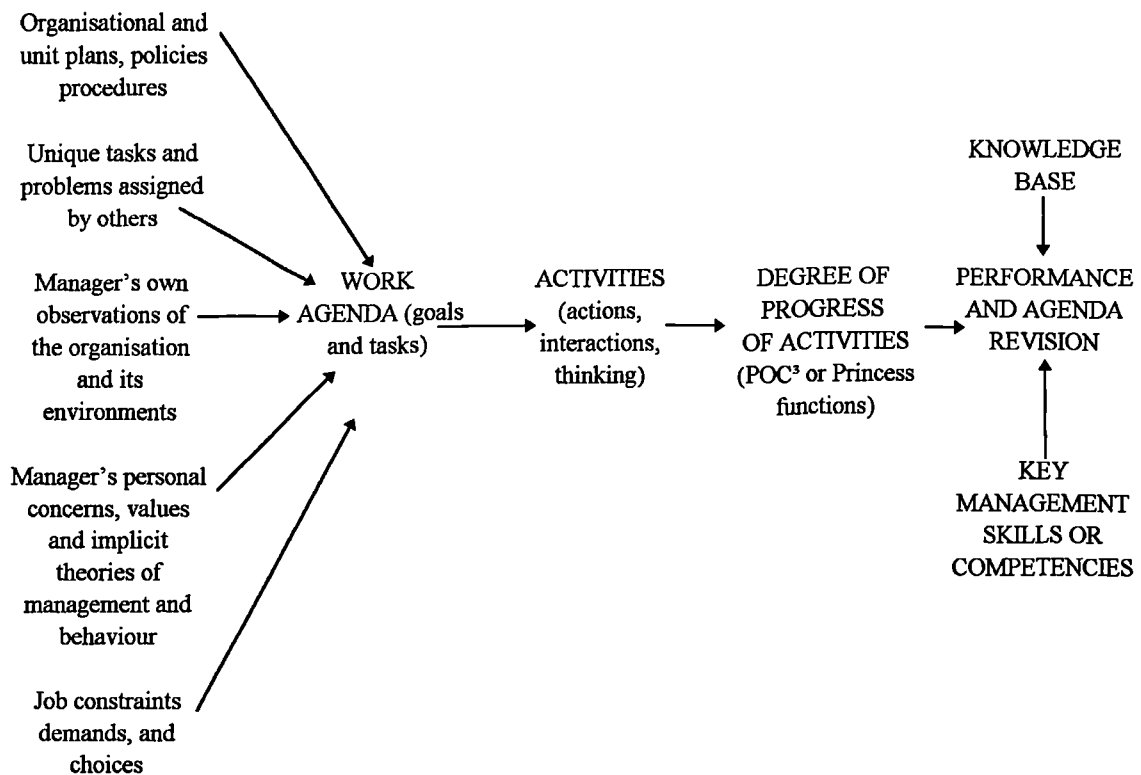
A clear message which emerges from the above is that the activities of real managers seemed to be characterised by brevity, variety, and fragmentation and discontinuity. Yet there is little consensus among researchers about the nature of

managerial work and its features. Easterby-Smith (1994:10) suggests a useful summary of the key aspects of managerial work. The summary encompasses the following:

1. Managerial Work is complex and variable.
2. Managers exist in order to deal with unprogrammed, as opposed to programmed problems.
3. Managerial work involves ordering and co-ordinating the work of others, but to do this managers must first be able to create similar order and co-ordination in themselves.
4. Managers need to be able to move and work across technical, cultural, and functional boundaries, and this demands an ability to adapt quickly and to have 'learned how to learn'.

Another attempt to summarise managerial work in organisational settings is proposed by Carroll and Gillen (1987). They propose a model which takes into account the classical functions of management, as well as the recent views of managerial work and includes the key managerial skills (See Figure 2.2).

Figure 2.2 A model of the manager at work.



Source: Carroll and Gillen (1987) p.47.

The above summaries of the features of the managerial job point to the importance of skills for managers to successfully accomplish their tasks and attain their organisational objectives. By and large, both the manager's abilities to execute the managerial functions and their capacities to fulfil the designated managerial roles are subject to their individual skills. Therefore, some light will be shed on these skills in the next section.

2.3.3 Managerial skills

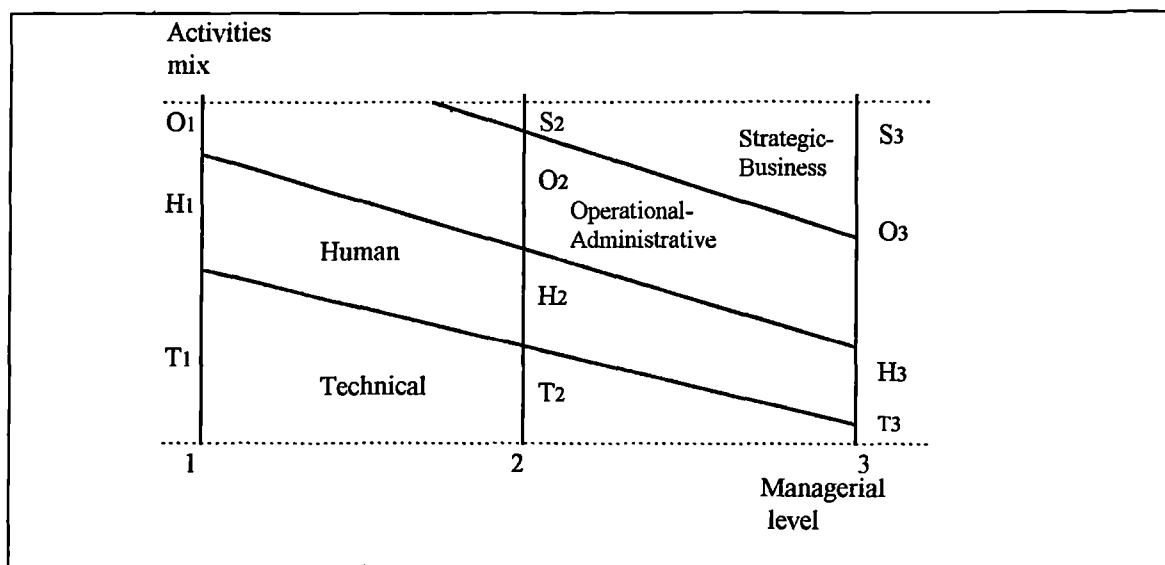
In order to carry out the processes of management and the execution of the managerial roles effectively, a manager requires a combination of technical competence, social and human skills and conceptual ability. Katz (1955:34) defines a skill as “an ability which can be developed, not necessarily inborn, and which is manifested in performance, not merely in potential”. Boyatzis (1982:33) suggests that “a skill is the ability to demonstrate a system and sequence of behaviour that are functionally related to attaining a performance goal”.

Many studies have been devoted to analyse managerial work in an attempt to assess the required qualities for a successful manager. Katz (1955) identifies three basic managerial skills: technical skills, human skills and conceptual skills. Technical skills refer to the manager’s ability to use knowledge, methods, techniques and equipment deemed necessary for the performance of specific tasks acquired from experience, education and training. Human skills indicate the manager’s ability and judgement in working with and through people, including an understanding of motivation and an application of effective leadership. Conceptual skills are seen as the manager’s ability to understand the complexities of the overall organisation’s operations, the complementary nature of its units, and the environmental influence.

Shenhar (1990) after a review of more recent studies on managerial work extends Katz’s model to four skills .He contests that his modification of the original model is long due and needed to guide management development as managers move up the organisational hierarchy. The main alteration introduced is a division of Katz’s conceptual

skill to two new skill areas, operational-administrative skills and strategic-business skills . The first are concerned mainly with managers' abilities to perform the management functions (e.g. planning , organisingetc.) at units' levels whereas the latter refers to their abilities to see the business as a whole and to formulate strategic long-term plans (see Figure 2.3).

Figure 2.3: A Refined Model of Managerial Skills at Various Management Levels



Source: Shenhar A. (1990) p. 201

Koontz and Weihrich (1990) argue that managers should not only define problems “problem watchers” but should have the competence to initiate a practical solution. Hence they suggest the design skill [ability to design solutions] to be added to Katz’s original model.

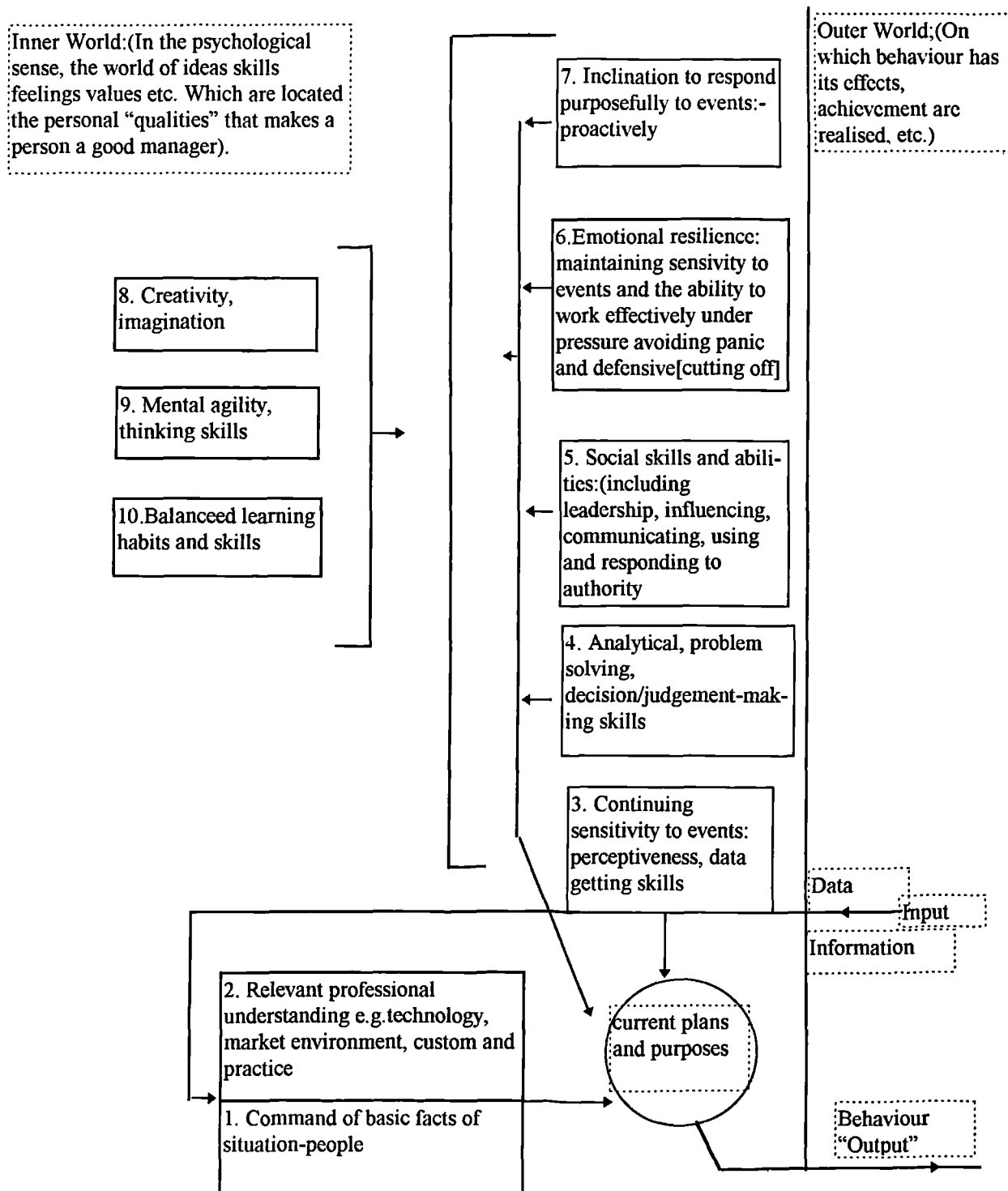
Akin (1987) diagnosed six general categories of managerial qualities:

1. Abilities to work with others successfully “inter- personal skills”.

- 2 Abilities to solve problems “analytical skills”
3. Abilities to generate, present and sell ideas using written or oral means
- 4 Abilities to accomplish particular jobs in an effective way “job-specific skills”.
- 5 Abilities to understand both organisational and professional norms “culture-related skills”
- 6 Abilities to possess positive attitudes towards self as a competent person “self-confidence”

These approaches to managerial skills and qualities have advocated the “universalism” notion which is founded on the basis that there should be one universal group of skills and qualities underlying managers performance in all situations . Nonetheless, Burgoyne and Stuart (1978), dispute such a stance and after reviewing earlier assumptions about managerial work, they proposed a partly tested paradigm of managerial qualities and skills (Figure 2 4) It was contended by the devisors that their model might pave the way for arranging the variety of qualities and skills that contribute to manager’s effectiveness and might serve as “a taxonomy” for management development and training

Figure 2.4: A Hypothesised Model of Managerial Skills and Qualities



Source: Burgoyne, J. And Stuart, R. (1978:59)

The essence of this model is that it assesses three learning levels within the individual and matches them with three levels of skills which are seen to contribute to managerial performance. The two sets of both learning and skill levels as reported by Burgoyne and Stuart (1978: 55- 56) are:

Learning levels	Skills and qualities levels
a) taking in a fact or a piece of data (learning in simple sense)	a) having data and facts of various source
b) Learning a new form of responsiveness (situation specific responses)	b) having situation-specific skills and response tendencies
c) Learning that makes the individual better at achieving learning of the “b” type.	c) having qualities that help in the learning process at level “b”

The model is divided into ten cells and the cells are grouped in accordance with the three levels of skills and qualities. Cells 1 and 2 correspond to the first level, cells 3-7 to the second level of managerial qualities, and cells 8-10 correspond to the third level.

Another approach to managerial skills analysis is propounded by Constable (1988) where he argues that managerial skills are directly related to management tasks and processes. Constable groups executive skills under four categories: the first set is labelled *skills for self management*, the second is called *skills to manage other people*, the third set is *skills for managing and controlling* and finally *skills to manage relationships outside the organisation*.

Based on the discussion above, it could be asserted that managerial work requires a combination of skills and abilities due to the fact that managers are in continued interplay with all internal and external factors. Then, managers are obliged to create a

balanced interaction with their increasingly changing external environment and the complex structure of their internal environment and its interrelated relationships. In other words, it is a truism that the managerial task is extremely difficult and what complicates it even more is the dynamic nature of both the organisational and the overall contextual elements. As a result, highly skilled managers to forecast, plan, organise, control any deviations and over all to mastermind all these variables towards the objectives of the organisation are an imperative asset. After introducing the nature of managerial jobs, management functions, managerial roles and managerial skills, some features of the future manager will be highlighted below.

2.4 Future Manager

In a world which is changing at a giddy pace in all walks of life, many questions are posed to be answered by the people concerned with management in general and with management development (education and training) in particular. Nations and organisations have to prepare their most valuable asset “people” to cope with future challenges and with unknown questions. Nations are threatened by the fact that the world is becoming a “global village”, organisations cannot avoid the growing, fierce world-wide competition and managers cannot afford to be obsolete in circumstances of over supply.

Therefore, future features of managers should be discovered, the sources of management talents should be disclosed and responsibilities for prepared future managers should be located (Newman, 1978).

Bower (1978) argues that the basic leadership qualities will remain the same over time. Nonetheless, he points to four categories of skills for future managers, a) agility in coping with change; b) skills in activating disenchanted employees; c) sensitivity to new values; d) political ability.

Korey (1985) contends that there are four central elements in the success of the future managers. They are:

- I. understanding of people;
- II. need for vision; courage and creativity;
- III. ability to delegate properly; and
- IV. ability to make sound decisions.

Gattie and Wine (1986) project the most significant aspects of management in the twenty first century. They stress that successful management requires much more than what characterises the current practice of management, “tomorrow’s executive will have all the attributes of today’s successful managers, but in an exaggerated form”. Many other future managerial qualities are suggested by this survey such as a need for “super-managers” who possess qualities for decision making in giant organisations, who understand organisational culture better, who are able to process a huge amount of information, who are motivated and have greater visionary power, adaptability to new individual value systems, who can relate and communicate better to others and who can think strategically.

An implicit conclusion which could be deduced from the literature on future management is that to be successful in the future, managers must possess an adaptive behaviour to predicate and confront change and reach the ends desired by their organisations. In other words, managers who want to stay ahead and lead organisations to future survival and prosperity must admit the power of change and cope with it in advance by constructing a vision of the future and forecasting its requirements through present indicators to transform the change variables into positive elements by which both individual and organisational benefits can be achieved. This poses many questions

2.5 Management Development:

One of the aims of much of the research on managerial work has been the search for a description of or perhaps a prescription for effective management. Despite the little agreement among researchers on the nature of the job, their contributions have given prominence to management as an essential function and a subject of study. Furthermore, they described skills that are required for managers at various levels. Therefore, these findings are used by organisations in selecting, developing and evaluating managers' performance (Carroll and Gillen, 1987). Also, individual managers should make use of the findings to plan and develop their careers and the careers of their subordinates as well (Margerison, 1991).

There seems to be a close connection between the quality of management and the success of organisations on the one hand, and the quality of management and management development on the other. Mullins (1989: 511) argues that

“The quality of management is one of the most important factors in the success of any organisation. Managers need a balance of technical, social and conceptual knowledge and skills, acquired through a blend of education and experience. There is, therefore, a continual need for managerial development”.

It might be this notion that brought about the great deal of interest in management development among academics, writers and practitioners. Storey (1989 and 1990) believes that it is the interest in management development that resulted in its publicity and that the immense volume of literature on the subject is an evidence of this. Hence the nature of this process and its significance to both organisations as well as individual managers are examined in the following sections .

2.5.1 The Nature and Scope of Management Development

In spite of the voluminous amount of literature on management development, a closer examination will, without doubt, unveil two major controversies. The first is the lack of unchallenged definitions of the term and its overlapping with other concepts and terms (e.g. organisational development, training, education). This is mainly due to the fact that the context and practice of management development vary considerably among practitioners and writers. The second disagreement is a result of the strong linkage between ideas and concepts underlying management development and relevant concepts

prevailing in the field of management development. This connection, therefore, requires explanation if one wishes to appreciate the reasons why and how management development theory and practice have reached the present stage.

Management development has been approached from different angles in the literature and found to be associated with a wide range of issues, such as improving the general knowledge of management, increasing organisational and business performance, providing a supply of managerial resources to meet present requirements and future succession needs, planning and executing management training programmes either within or outside the organisation and preparing managers for the future.

One potential confusion over management development can be readily identified by the fact that various names are used by different authors to refer to the term. Thus, although the term *management development* is more extensively cited, other terms such as managers development, executive development, employee development, staff development, management training and management education are often used within the same context. Kaumeyer (1982:35) comments “this ‘creative naming’ probably satisfies some egos but it creates a communication mess”. Furthermore, Easterby-Smith and his associates (1978) argue it may not be helpful to attempt to provide a single definition for management development and instead advocate a contingency stance.

Another cause of the disorientation might relate to the fact that manifold perspectives have been applied to the study of management development, for example:

- i. as an organisational function similar to production, marketing and finance
- ii. as a philosophy or style of management which reflects top management attitudes towards the development of their managers
- iii. as a change agent, to bring about desired changes in managers' behaviour in order to enhance the chances of effective objectives and achievements
- iv. as a method of continuing education of individual managers at all stages of their career.

As a natural outcome of the various perceptions, different definitions have been granted for management development, some of which are summarised in Table 2.2.

Table 2.2 Selected Definitions of Management Development

References	Definitions
<u>Morris (1978: 28)</u>	a continuing improvement of effectiveness. within the management function of an organisation.
<u>Armstrong (1988:521)</u>	a systematic process which aims to ensure that the organisation has the effective managers it requires to meet its present and future needs.
<u>Ashton et al (1975: 5)</u>	a conscious and systematic decision-action process to control the development of managerial resources in the organisation for the achievement of organisational goals and strategies.
<u>Harrison (1989: 5)</u>	the all-importance primary process through which individual and organisational growth can throughout time achieve their fullest potential.
<u>Bettingnies (1983: 23)</u>	the attempt to improve managerial effectiveness through a planned and deliberate learning process.
<u>House (1967: 13)</u>	the attempt to improve managerial effectiveness through a planned and deliberate learning process.
<u>Mumford(1991:3)</u>	an attempt to improve managerial effectiveness through the learning process.

A clear implication from all the above conceptualisations is that the main aim of management development is to improve the quality of management within organisations. However, Drucker (1988a) sees management development as a two dimensional process,

the first dimension focusing on the organisational survival and growth “development management” and the second is “manager development” which focuses on the individual growth and achievement as a person as well as a member of the organisation. He, therefore, views management development as an organisational function which deals with providing individual managers with the opportunity to learn to gain skills and to be effective. Furthermore Beckhard (1985:11) asserts that management development is an organisational function that:

- I. undertakes to forecast needs, skill mixes and profiles for many positions and levels.
- II. undertakes to design and recommend the professional, career and personal development programmes necessary to ensure the achievements of the competence required by the organisation.
- III. undertakes to move from the concept of management to the concept of managing. Within this concept the management of work is a matter to which the management development function is involved in improvement planning and interventions.

The various definitions quoted above indicate that management development is a generic process which embraces miscellaneous activities. This understanding has led to a discrepancy in regard to the nature of management development. According to Storey (1989:5) this inconsistency is *“derived from conceptualisations which, on the one hand, try to isolate what those involved in the process of management development do and, on the other hand, conceptualisations which seek to say something about how in fact employees have grown into managers”*

1. An additional and inevitable confusion arises when one attempts to clearly mark the boundaries of management development or to answer questions like Is it training ?Is it

education ? Is it both ? Is it an organisational or an individual responsibility ? Is it concerned with the present or with the future ?

Firstly, a common and inconsistent view of management development is that, on the one hand, management development has been identified as distinct from management training and education, while on the other hand, management training and education are regarded as main components within the former process (Storey, 1989). A second factor which contributes to this disagreement over the scope of this subject is the fact that some writers argue that it is an organisational function (e.g. Mullins, 1989; Drucker, 1988a; Beckhard, 1985), while others believe that it is the individual managers' responsibility (e.g. Pedler, Burgoyne and Boydell, 1986). A third group of academics disprove both perceptions and maintain that management development is a shared responsibility between organisations and managers (e.g. Margerison, 1991; Drucker, 1988a). These views will be clarified further in the following chapter (see 3.2).

In this research, however management development is defined as the process through which an organisation ensures that it has the right quality as well as quantity of managers to meet its current and future operational needs. Moreover, it is examined as an organisational function and related to manifold activities i.e. human resources and managerial career planning and management training .

Next some light will be cast on the significance of management development in an attempt to answer other questions (viz. What is it for ? and Why so much attention and resources are devoted to it ?) .

2.5.2 Whither Management Development?

Management development is not an end in its own right, but a means to attain the wider desired end of organisational effectiveness. This fact is very often found to be supported by the literature where most of the definitions stem from the objectives of the process of management development rather than the opposite, although what it sets out to achieve is hardly discussed in detail (Storey, 1989). Nevertheless there is much evidence in the literature that the significance of management development for individuals, organisations as well as nations can be sustained by the objectives it intends to accomplish. Management development practices, at least within organisations are evolving around five basic objectives .

The first goal which is sought to be accomplished by management development is the modelling of individual attitudes towards the way tasks are to be performed effectively. Many messages were conveyed to managers and supervisors through training and development courses to condition their attitudes towards certain practices such as work groups, targets, resource allocation and management to develop better qualitative performance attitudes and awareness. Further to that, change in managerial style was approached by training in some organisations (e.g. Skapinker, 1987; Ewing and Main, 1988).

The second mission of management development can be envisaged through its chief role in widening line managers involvement in various functional activities such as the financial, marketing and commercial tasks developing the “*general manager*” or “*the*

entrepreneur” executive (Berger, 1987). This trend in management development is the flavour of the 1990’s in the Anglo-American culture (Lloyds, 1992), others call for the development of “*entrepreneurship*” in bank managers through management development programmes (Evans, 1990; Wolff, 1989).

The third aim which can be achieved through the process is maintaining “*profitability through excellence*” where minimising cost and using resources more efficiently are pursued through management development activities such as training, to establish and maintain “*company values*”, an awareness of better customer services and higher production standards. Recurring themes such as “*existing for the customer*” and “*total quality initiative*” have accompanied management development efforts (Alexander, 1987; Nagler, 1987; Wagel, 1987 and Houghton, 1986).

Fourth, many unsuccessful mergers and acquisitions have been reported by various organisations resulting from the natural human inclination to resist change and from the lack of consideration paid to the human resource aspects before taking action in this respect. Hence, some management development techniques, if employed properly, could not only accommodate the resistance, but could further contribute in constructing a positive corporate identity and a shared organisational culture (Fulmer, 1986 and Gridley and Fulmer, 1986).

The fifth is that management development is thought of as a fundamental tool in architecting “organisational change” and the management of this change and preparing for the future (Morgan, 1988 and March; MacCormick and Robinson, 1986). Lippitt

(1982) observes that management development is a process of growing managers and as “the key to organisational renewal”. Pearson (1987) tied up the organisational maintenance of effectiveness, creation of competition advantage and retaining talented managerial staff with management development.

This connection between this activity as apparatus to cope with culture change is prevalent within the various sectors. In the financial sector banks, building societies and insurance companies have deployed programmes to deal with the accelerating rate and scope of both internal as well as external changes (Thackway, 1987; Smith, 1987; Stemp, 1987 and Pate and Nielsen, 1987). Other examples are available in the public sector, with the reforms and privatisation taking place in the UK, new organisational orientations are unavoidable, hence, management development will be the key resort to be called upon to prepare managers for the new realities (Thackway, 1984; Annandale, 1986; Smith; Banard and Smith, 1986 and Turril, 1986).

Therefore, it could be concluded that a generic objective of management in any organisation should be as Mumford (1989: 9) proposes:

“to ensure that executives are developed or recruited and trained in sufficient numbers to sufficient standards to meet the specialist and general management requirements of the group in the short and the long term”.

Consequently, by relating these objectives to the previous analyses it becomes evident that management development is concerned with improving the broad effectiveness of organisations through focusing on developing and upgrading the key

factors in control of the multi-functions and processes that is the managerial cadre. Furthermore, it is apparent that it takes more than bare training for the development process to fulfil its mission. Management development is a complete system which encompasses a range of activities from career development scheme, to studying the environment that managers work in and the provision of a supportive environment to allow them to learn and apply their learning to their job situation. Management development is, certainly, associated with developing abilities, widening the horizons of knowledge and the creative thinking of managers since it cares for the present as well as future managerial effectiveness.

2.6 Summary

The importance that has associated management with the achievement of institutional goals has resulted in the vast interest of many researchers in the subject. Researchers have examined management in attempts to determine its constituents. The advocates of the classical school of management see it through the classical functions (viz. planning , organising co-ordinating , etc.). However the more recent studies emphasise the types of interactions managers engage in during their work and conclude that managerial work is not systematic nor reflective but rather it is fragmented and involves a variety of activities. Also these studies indicate that managers now and in the future need a mixture of skills to improve their performance. The basic managerial skills are deemed to be technical , human and conceptual.

The literature also indicates that managerial performance can be improved through management development activities. This process aims to provide managers with a mixture of skills and knowledge. It is an all-embracing activity which overlaps with other activities. Yet ,it is deemed to be important for both individual managers as well as organisations.

Based on the above several questions arise concerning the practices of management development in Bahrain's banks. How do they see this activity? And What do they expect to achieve from it? These questions will be answered in later chapters meanwhile the next chapter will concentrate on management development approaches and practices.

CHAPTER THREE

MANAGEMENT DEVELOPMENT: THEORETICAL APPROACHES AND PRACTICES

3.1 Introduction

Chapter two focused on the nature of management development and its relation to managerial work. The aim of that chapter was to establish a general background and understanding of the concepts the objectives and the relationships of this activity. Nonetheless, it did not satisfy the question “how management development is or should be approached as an organisational function?”

This chapter intends to do this by examining the literature further in an attempt to determine some aspects of management development practices and relate them to some theoretical approaches. Beginning with a presentation of some proposed approaches it then moves on to discuss some practical elements. In other words the chapter aims to answer two questions.

1. How should management development be approached ?
2. What are its essentials in practice ?

3.2 Approaches to Management Development

There is an ongoing debate among academic writers and practitioners over the positive contribution of management development to the performance of both individual managers as well as organisations. Thus, many management writers and researchers have committed a considerable amount of time and effort to systematically analysing management development concepts, objectives and activities, and have proposed various approaches to guide its practices.

The proposed approaches can be grouped into three general categories. The first group are those which focus on improving individual managers' performance. The second concerns itself with managerial development within the context of organisations. The third considers the actual application of the acquired knowledge and skills in real life situations. It should be made clear at this point that this classification is chosen only for the sake of simplicity and some interplay might be noticed.

3.2.1 The Individual Managers' Development Approaches

This view is based on the idea that management development should focus on the individual managers in the first place. However the supporters of this methodology admit that it involves the interaction with internal work element (the job, the superior and the total work environment) (Mandi, 1979). Drucker(1988a) argues that although management development is a bi-dimensional process, he maintains that "development is

always a self-development the responsibility rests with the individual, his abilities and efforts"
(p 334)

Another premise behind this philosophy, i.e. self-development, is stated straightforwardly by Pedler, Burgoyne and Boydell (1986: 3), who claim that

"any effective system for management development must increase the manager's capacity and willingness to take control over and responsibility for events and particularly for themselves and their own learning"

Many models have been proposed by management scientists, researchers and writers with regard to individual managers' development. The subsequent examples are chosen among the variety which can be found in the literature. The choice is for the sake of explanation and by no means conclusive.

A) The Self-Development Method (Pedler, Burgoyne and Boydell, 1986)

In proposing this model for managers' development, the authors claim that since participating in formal management development programmes is not weighed as important as coping with difficult job situations, hence managers should take charge of their own development. In addition, they perceived self-development as a prime, individual concern in terms of the objectives and the means to achieve their developmental goals.

B) The Mentor-Protégé Method (Easterby-Smith and Davies (1983)).

Under this approach a top executive takes a long term interest in one or more junior managers and personally oversees their development and monitors their career progress within the organisation. Thus, an intimate relationship grows between the mentor and the protégés, where a trade off situation is created. Easterby-Smith and Davies(1983:45) note that:

"The characteristic of the mentor that is mostly valued by the protégé is the willingness to share knowledge and understanding, particularly about the organisation they work in and the people in it. What the mentor gets is less clear, but it is likely to involve an enhanced network of contacts lower down the organisation and an outlet for dynastic urges".

This approach is quite common in the civil service and political machinery of many third world's countries, since social ties and relations are more influential than objective criteria in selecting and developing managers (Dakhil, 1988).

C) The Crown-Prince Method(Stolz, 1971)

(Stolz, 1971) proposes that top managers make their succession list "Crown-Princes" without making it known to others. Inclusion in the list depends heavily on the top executive's personal judgement. This inclination is considered a major drawback to this model. Nevertheless, in the Arab culture, especially in the Gulf-States, the Crown-Prince seems more appropriate since most of the private sector businesses are owned by a families or groups of families, where in most of the cases, a member of the family holds

the top position and is socially obliged to develop relatives and kin to occupy the essential positions and to take his position at some point in the future (Dakhil, 1988).

D) The Individual-Based Model (Constable and McCormick, 1987).

The essential philosophy behind this model is that individual managers should have the freedom to decide on their present and future career development and to choose the type of education and training to gain the required knowledge and skills for effective performance, "managers as owners of their careers".

According to Constable and McCormick(1987), in the long term, this approach could be evaluated by measuring individual satisfaction with career progression. In the short term, however, evaluation could take into account the individuals sense of accomplishment where a degree is obtained, such as MBA. But it is a risky business and could result in a negative perception of the qualification gained if it does not lead to career progress.

E)The Management Club Approach (Muczyk and Hastings, 1982)

This model is a voluntary foundation for members of an organisation who are interested in improving their managerial skills to meet at regular intervals for the purpose of exploring some facets of management. Participation is open to all levels of management and subjects are suggested by any member and overseen by a knowledgeable organisation member or an outside expert. Top managers involvement is important to

encourage lower level participation and to enhance outcomes adoption and implementation follow-up.

The preceding discussion is, to some extent, dominated by the notion that management development is an autonomous process and should be left to the individual managers own discretion to participate and or initiate management development.

The claimed positive fruitfulness of the individual managers' development approaches is debatable at the personal level, let alone at the organisational and contextual levels. At the individual level, personality, aptitude, motivation, job level and relationships with others are crucial factors in the learning and transferring process. At the organisational level, the prevailing climate plays a vital role in encouraging, or otherwise, the learning and its application on the job. At the contextual level, the ascribed values to training and development will certainly influence the outcome of any developmental efforts.

The individualistic management development models are narrow and they focus mainly on the development of individual managers detached from both the internal working conditions and the external environment. Consequently, management development process has been examined from a broader scope and what can be termed systematic approaches were introduced which integrate the various activities of management development within the organisational structure in relation with the wider environment.

3.2.2 The Integrated Approaches to Management Development

Based on the critiques directed at the individualistic perspectives of management development many management scholars have developed and introduced the integrated models taking into account various organisational variables. Nevertheless, others have gone further to include some environmental factors into their suggested models. House (1967), for example, while introducing an organisation wide development programme pointed to three fallacious assumptions that are made by programme designers. The first is the presumption that the programme would suit the individual capabilities. The second is that the programme contents met the organisation's requirements. The third is that higher management levels support of the effort is spontaneous. He claims that individual manager's predisposition and aptitude, the organisational training needs, and the inclination of top management to support the management development must be inspected and as accurately as possible assessed before a management training programme is designed to increase its chance of success.

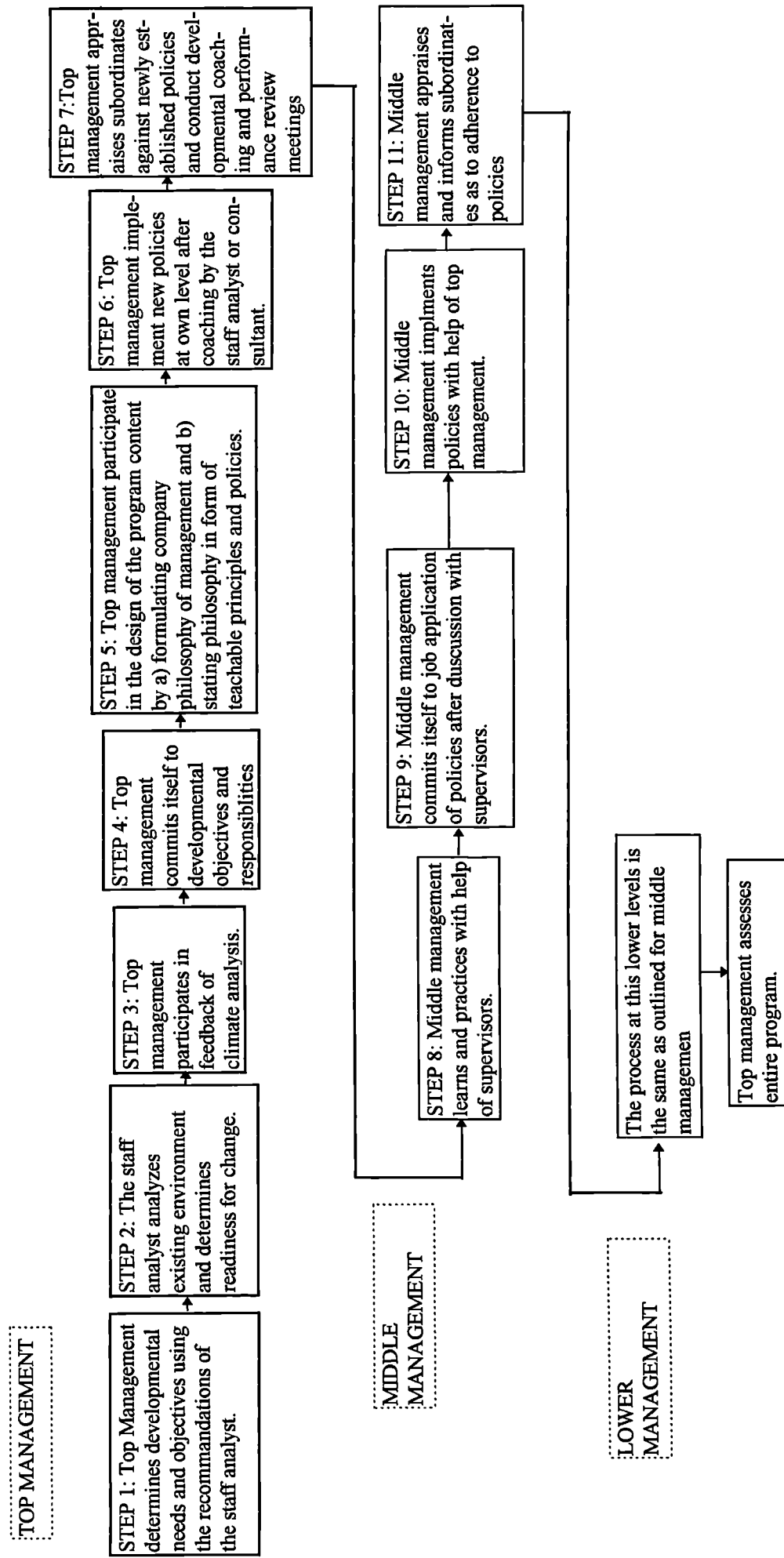
It seems appropriate here to introduce few examples to elucidate this view of management development processes.

A) The Commitment Approach (House, 1967).

In proposing this approach, House argues that it is designed not only to change the individuals' behaviour but to meet the organisational needs at the same time. It provides for teaching methods that suit the attitudes and learning capabilities of the

participants and it could change or fit within the prevailing organisational climate. House's model consists of a process of analysis, learning, commitment and implementation (Figure 3.2). It is clear from the illustrative figure that management development should start at the highest level of the organisation where the objectives of the process are set in accordance with the organisation's needs in order to gain top management approval and commitment. The same procedures are followed at each managerial level to enlighten all the people concerned as to how and why this intervention is carried out.

Figure 3.2: The Commitment Approach



Source: House, R. (1967).pp. 46&47

B) An Integrated Model of Management Development (Mullins and Aldrich, 1988).

This model is a method for the education and training of managers which is based on the various assumptions about managerial work and considers the three basic skills (technical, social and conceptual) essential for managerial success (see Figure 3.3). Mullins and Aldrich (1988) argue that this model is a combination of parts of the system and the contingency theories on one hand, and the action learning theory on the other. The management theories help in elucidating the nature of managerial works activities, roles and styles and developing some ways of measuring managerial effectiveness, whereas the action learning approach is employed to develop managers:

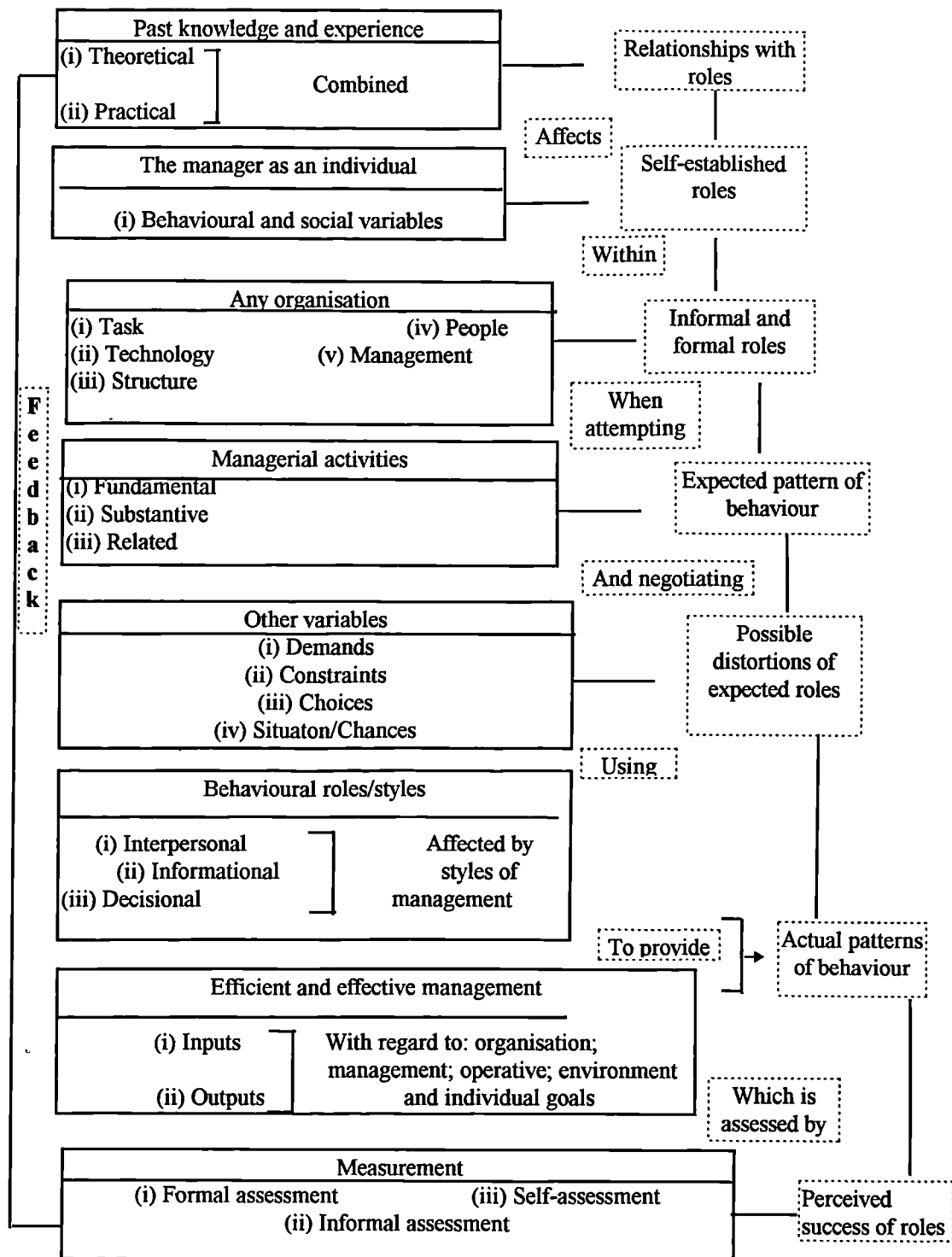
"If the better parts of each theory - the action, system and contingency approaches are taken and combined, this may result in a theory that would model empirical behaviour and also facilitate the analysis of large numbers of people within organisations(Mullins and Aldrich, 1988:29).

This model serve as an abstract framework of the variables involved in managerial work which should be considered in any management development initiative. It covers educational sources, and social and behavioural variables at the individual level. At the organisational level variables such as task, technology, people and management as an integrative mechanism of all of these, are discussed.

The abstract nature of this model is a major drawback to its applicability, there is no practical guidance to or means of how to put it into an actual usage. Also it is very complex and no programmes are suggested to reach its desired goals, however, a mixture

of most of the usual management development and training processes are listed. Another vital shortcoming is that it does not seem to account for the external environment and the possible hindrance that it may cause to its implementation.

Figure 3.3: An Integrated Model of Management Development



Source: Mullins and Aldrich (1988: 30)

C) A Unified Manager Development Approach (Hitt, 1987)

In his model Hitt (1987) explains how the organisation can design and organise integral processes and efforts for management development. This programme is regarded as an effective approach to management development if it is established on clear bases. The most distinctive ones are the following basic assumptions.

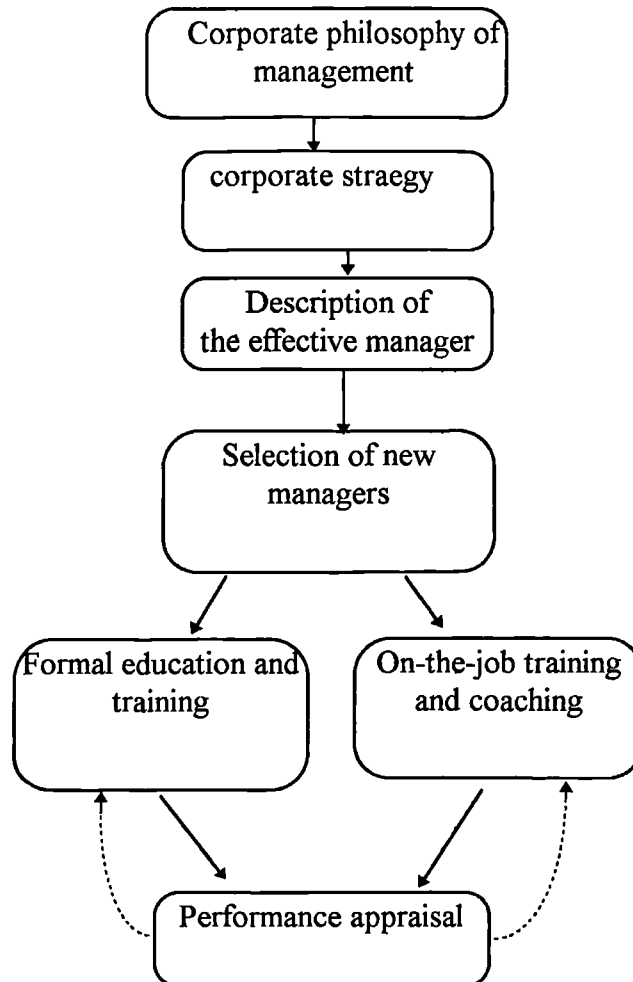
- I. The future success of any organisation will depend heavily upon the availability of effective managers.
- II. Effective managers are not born, they are grown.
- III. Effective management of the enterprise and development of managerial talent are a single integrated activity.
- IV. Manager development is a three-way responsibility involving the individual manager, the manager's manager, and the Human Resource Department.
- V. A unified manager development programme will be substantially more effective than a piecemeal approach (Hitt, 1987:45).

This approach takes a system form where the elements are interrelated and in a continuous state of interaction. Figure 3.4 summarises the basic aspects of this approach. Furthermore, a group of guidelines are proposed to facilitate its implementation. But Hitt (1987: 53) affirms that the right organisational culture must exist before this model can work effectively:

"an organisation with managers who understand that effective management of the enterprise and development of managerial talent are a single integrated activity. An organisation blessed with such enlightened managers will very likely reap these benefits: greater job satisfaction among its managers, higher retention of its managers, and greater productivity on the

parts of its managers--all of which will contribute substantially to greater organisational productivity"

Figure 3.4 A Unified Manager Development Programme



Source: Hitt, William D. (1987) p46.

D) The Fourth Blueprint Approach (Limerick and Cunnington, 1987)

After a series of studies conducted in Australia, Limerick and Cunnington (1987) advanced what they call the "Fourth Blueprint". They claim that the time has come for management scientists to rethink the basic assumptions of management in general and management development in particular. Moreover, they argue that the "Fourth Blueprint"

should be dealt with as a management frame of reference as well as a management development approach.

As an integrated approach to management development, which concerns us here, the "Fourth Blueprint" might be understood much better when compared to some assumptions of the system theory in light of its three basic concepts of organisation and management.

The first assumption is that organisations are composed of "loosely coupled systems", not interdependent "sub-systems". Therefore, in contrast to the system approach the advocates of this approach argue that a real grasping of the parts leads to a better understanding of the whole (Limerick and Cunnington, 1987). They further believe that a loosely coupled systems approach is more capable of encountering the ongoing state of rapid turbulence and change facing organisations in all fields.

The second underlying concept of this model is "collaborative individualism" where the needs are for free individuals who are not constrained by their membership in a team. It has been argued by the proponents that the demand is presently on an individual who is capable of effective performance independently, and at the same time can relate to other members of the organisation when it is necessary. They used the analogy of football players and cricket players as individuals and members of teams. To clarify this concept they quoted one of the surveyed chief executives who says that:

"I don't want a team of football players. I want a team of cricketers, individuals who will confront the hundred mile an hour ball on their own, yet adjust their style when the team is in trouble" (p. 60).

The third concept is the "Metastrategic vision" which requires the strategists of any organisation to construct a masterplan which maps strategy, structure and culture together.

Having examined the current conceptualisations of management they suggest five clusters of competencies which aim at developing managerial capacities to meet the requirements of the new types of management i.e. the Fourth Blueprint's. They further argue for five main aims for any programme of management development. The first is to improve managers' ability to manage and relate to others the emphasis being on empathetic, right brain activity together with transformational leadership activity. The second is to enhance managerial skills to get things done through being proactive (self-driven; doers, bias for action, ambitious) as well as being pragmatic with common business sense. The third is to develop the manager's capacity to see the big picture. This refers to the needs to develop the manager contextual skills to see the relationships of his organisation to the external environment. The fourth is to upgrade the manager creativity skills. This implies that managers should be able to think clearly and to be imaginative, innovative, creative, think laterally and freely without any restriction of the linear left brain logic. The fifth is to help managers to reach personal maturity. This indicates that managers should have both self- as well as professional understanding, to grow, as an individual, and to be loyal to the organisation and to do his job ethically.

The examples of organisation-wide developmental models that are discussed above, are not without their shortcomings, although they overcome some of the individualistic approaches. To start with, the "commitment approach" introduced by (House, 1967) is susceptible to criticism at each and every step of the seven guidelines. For example, the first step requires a measurable objective to be set forward for any developmental effort, but not all management development activities are related to tangible issues. Furthermore, if the present organisational climate is not compatible with the development scheme, then another intervention is required to pave the way for the intended activity and a vicious circle will be inevitable and so on.

The integrated model suggested by Mullins and Aldrich (1988) suffers from its general and abstract nature, as there is no practical guidance to its implementation, besides no programme or set of programmes were suggested to reach the "desired goals".

The "Unified Manager Development Programme" devised by Hitt (1987) is dependent on the organisation's philosophy of management, regardless of the individual managers concerns or the external context constraints.

The "Fourth Blueprint" (Limerick and Cunningham, 1987), as a result of the orientation of the initial research the targeted sample was CEO's it could therefore be argued that this model is appropriate more to upper level executives than to the middle and lower level managers.

3.2.3 The Competency Approaches

Both the individualistic and the integrated models are mainly based on the general assumption that the management development process is an important factor in the improvement of managerial capacity in performing their jobs. This assumption is partially grounded on the classical understanding of the nature of management (i.e. the functions, the skills and the roles of managers). The key problems in this respect according to Cahoon (1987), seem to be threefold. Firstly, the over emphasis on past practice and its use as a guideline in training managers. Secondly, the undue dependence on the theoretical techniques without careful consideration of their application. Thirdly, the treatment of management development as an entertainment (i.e. games and case studies) with minimum regard to their conceptual foundations or practical applications. However, Cahoon maintained that each of these philosophies has its merit, but none of them should be considered exclusively.

Despite the fact that a great amount of resources have been devoted to research related to management development in the past, solid evidence of its direct relationship with organisational performance is yet to be verified. In this respect (Day, 1988:31) states that: *"The question of what makes a good manager has attracted much research and indeed controversy. There can be no single prescription as exact requirements vary by industry, seniority and organisation"*. He went on to explain that the common characteristics of a good manager are the basic knowledge, skills and some personality traits that can be identified with successful practice. These facts have led many interested

organisations and researchers to devote even more resources and become more persistent than ever to develop new models and approaches to face the challenges.

A new trend in viewing management development has been crystallised in the last decade to confront these challenges. Consequently the "Competency's Approach" to management development has emerged. It is a new view of management development that has been activated by the findings reported by (Boyatzis, 1982) after a research he carried out under the sponsorship of the American Management Association.

Meanwhile in the UK research findings reported by Handy (1987) and Constable and McCormick(1987) which stressed the pressing need for more systematic training and development of British managers have precipitated a campaign within the concerned parties at both ends of the development programmes, i.e. the suppliers as well as the customers. As a result, the Management Charter Initiative (MCI) was launched and a new perception of management development activities is evolving.

The proponents of the competency principle claim that it is the competencies of managers that, to a large extent, decide the return on organisational investment (e.g. Boyatzis, 1982; Whetton and Camron, 1984). The general aim of the competence approach implicitly embraces all that management development is set to accomplish.

However, it has been contested further by the exponents of this approach that the manager's ability to use his or her knowledge is what counts, rather than the possession of

the knowledge per se. Therefore, this point should be taken into account and stated in the objective, when any management development programme is considered.

Before discussing some competency approaches the concept of competency will be defined first. Competency has been defined in different ways, however in this research it denotes a concept which is broader than a skill and according to Klomp (1980) a job competency is an underlying idiosyncrasy of a person which leads to effective and/or superior performance in a job. Boyatzis (1982) extends this definition as he explains the underlying characteristics to be a persons generic knowledge, motive, trait, skills, aspects of one's self-image or social role used by the individual to achieve effective results in a job within the organisation and its environment. Wexley and Klimoski (1984: 79) see competence as *"a characteristic of an individual that leads to behaviour that meets the job demands within the parameters of the organisational environment and that, in turn, bring about desired results"*. Furthermore, Constable (1988:19) endorses that *"competence is the ability to use knowledge and skills possessed effectively in performing a managerial role"*.

A) Managerial competencies at the skill level (Boyatzis, 1982)

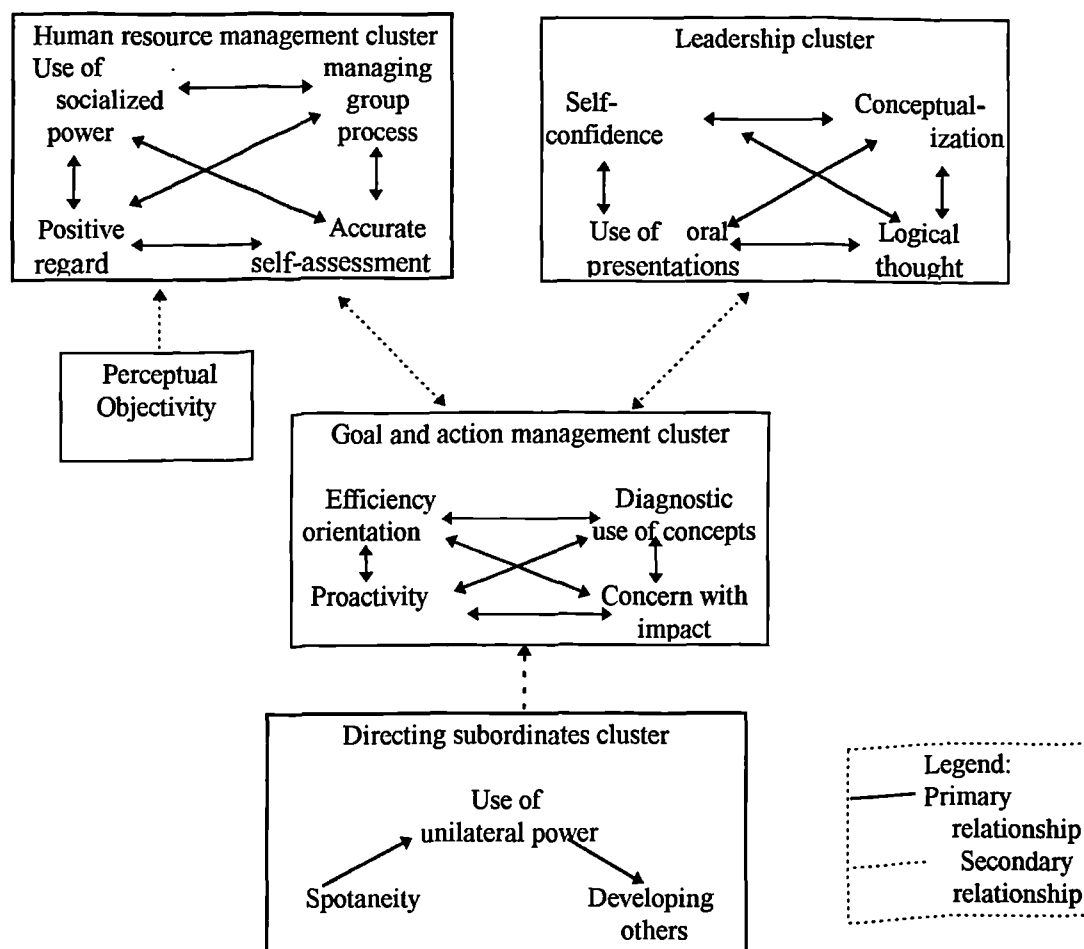
Preoccupied with what the characteristics of effective managers are Boyatzis (1982) gradually developed this model. He marginally extends Klomp's definition of job competency, determines that effective performance is the attainment of specific results, through specific actions, within a specific organisational as well as environmental setting. Although all the competency levels affect the result of individuals behaviour, the model

presented by Boyatzis (1982) contains the competencies that are required at the skill levels and the forms of relationships that exist among them. It could serve as a stimulator to management development practices since it highlights the competencies required for effective managerial performance at the skill level. Figure 3.5 depicts the proposed model. However, many points should be borne in mind when the model is considered. Firstly, the model does not contain the threshold competencies' cluster but only the competencies that are related to effective performance at managerial levels. Secondly, effective managerial performance is equally determined by two more factors, i.e. job- and organisation-specific competencies and situational factors. Thirdly, the specialised knowledge cluster which is concerned with professional knowledge are not included in the model and finally a clear distinction between "basic" and optimal competencies should be drawn. The former are those which are needed to perform at an average level. However, the optimal competencies are those which differentiate between average and high performance. Boyatzis(1982:204) argues that a manager performance is a function of three factor *"one third of the variance in performance of managers can probably be accounted for by these generic management competencies, about one-third of the variance can be accounted for by job- and organisation-specific management competencies, and the remaining one-third of the variance is probably due to situational factors"*.

The model reveals several things which range from general issues related to the arrangement of the organisational systems to specific matters related to developing managerial competencies.

Besides the utilisation of the model as a guideline in determining the organisational needs in terms of competent managers, it can serve many other development functions. An integrated human resource system could be built, managerial job design can be based, a selection and promotion system could be established, performance appraisal could be founded, career planning and training schemes could be formulated monitoring and evaluated in the light of the competencies uncovered by the study (Boyatzis, 1982).

Figure 3.5 An Integrated Model of Management Competencies at the skill level.



Source: Boyatzis, Richard (1982) p194.

There has been much research and many articles which followed the American Management Association (AMA) trail in searching for and identifying in a more explicit way the managerial competencies correlated to superior performance and seeking to validate their measurements (e.g. Sims and Sauser, 1985; Padden and Faulder, 1983; Schroder, 1986; Cahoon, 1987; Hayes, 1979; Powers, 1987; Kolb and Baker, 1986; Constable, 1988; Day, 1988).

Although this approach, has come into focus in the last decade, it draws a considerable amount of attention from many writers and researchers and some educational institutions have inserted some of the competency aspects in their curricula. However it is yet to be adopted in a large scale by organisations. Therefore it is hard to evaluate its practicability.

The competency approach to management development has been subject to many criticisms from many sources. A major critique is the confusion over the concept itself as it was used in a variety of contexts by different writers (e.g. Boyatzis, 1982; Mangham and Silver, 1986; Prideaux and Ford, 1988; Kolb and Baker, 1986; among others). Another is the difficulty of avoiding the subjective judgement of the research of the "term" and researching an objective causality. A further hardship is the abstract nature of the term and its definition. An additional obstacle is that it is difficult to translate the competencies into practice and its relevance in some cases (Collin, 1989). A final barrier which has not been discussed is the expenses required in applying it in a real life situations.

The systems of management development discussed so far are born, grown and tested in Western cultures, therefore, a fair judgement of their appropriateness to and applicability into other cultures should be based on a careful examination and exploration. Thus, one of the prime objective of the present study is to shed some light on management development practices in another contextual setting. This is dealt with in Chapter Four.

3.3. Management Development in Practice

The discussion of the approaches above indicates, at least in a broad sense that management development is a long term process which requires extensive planning and is a resources consuming activity. For example, Mullins and Aldrich (1988:37) argue that: *“A prerequisite of management development is effective manpower planning coupled with procedures for recruitment and selection. A system of performance review will help identify individuals strengths and potential for promotion”*. They further added that the process requires a combination of on-the-job as well as off-the job training programmes. Therefore, this section focuses on the practice of management development in organisations.

Various activities are related to management development practices in the literature. However the discussion here is confined to the planning, execution and evaluation of management development as an organisation function. In this research management development is defined as all the processes that are carried out by an

organisation to ensure a sufficient supply of managerial talents in terms of quality and quantity to meet the requirements of achieving its mission effectively in the present as well as in the future. Whether these activities are conducted within or outside the organisation. Therefore, the practices are dealt with under three main headings. The first is management development policy and planning. The second heading is management training methods. The third is evaluation of training and developmental activities.

3.3.1 Management Development: Policy and Planning

The integrated approach to management development which was discussed earlier stresses the need for the developmental efforts to be based on a clear policy. Furthermore Margerison (1991) believes that management development requires careful planning, deals with the issue of what managing is about and covers everything from recruitment and selection to career progression.

Mumford (1989) argues that organisations should have some sort of policy concerning management development that reflects their understanding and dedication to the process. However not all policies necessarily have to be as written some organisations have established practices and procedures that are adhered to by their members. Nonetheless he suggests a detailed policy which defines the responsibility of the organisation in regard to the development of its members, its belief in the value of management development to both the organisation and the individuals working within, the provision of basic requirements and essential programmes, and the expectations of the results of the developmental schemes.

Margerison (1991) sees management development policy as ranging from having people understand how promotion decisions are reached, what educational and development opportunities exist, to all the issues that usually affect people's development in their job.

Another significant aspect of establishing a management development policy is setting clear articulated and published objectives. An example of a broad objective was suggested by Mumford (1989) as

“to ensure that executives are developed or recruited and trained in sufficient numbers to sufficient standards to meet the specialised and general management requirements of the group in the short and the long term” (p.9).

Such an objective as a starting point in the management development practice demands a range of basic requirements. It requires jobs' analysis to determine the levels and the requirements of the jobs in terms of knowledge and skills. Appraisal systems which form, especially over a period of time, important foundations for management development, in assessing managerial potential to judge how far the manager might be promotable in the future. It is important here to differentiate between appraisal and potential assessment. The former is concerned with actual achievement, whereas the latter is related to how the achievement was reached (Vineall, 1991). He argues for "a development list" that should be founded on the results of the previous steps where jobs are divided into three or four levels and an estimated promotability time is set for each individual to reach the next upper level. The proposed system serves as a training assessment method and helps the policy's formulation in several ways.

- I. It focuses and sharpens judgement about potential and serves as a screening shield against any premature potential judgement.
- II. It provides the raw material for basic planning comparisons of promotable resources and knows and likely future needs.
- III. It highlights the training and development needs, challenging and testing opportunities, which are often in short supply, can then be directed to those on the list.
- IV. The system provides a useful language in which different parts of a large organisation can communicate to the sort of people they want for certain jobs.

Before any management development system is initiated a review either at a unit or an organisational level is essential to reflect on the appraisal and potential information and to set priorities and plans which guide and assist in the recruitment and selection of suitable recruits or applicants, future training courses, etc. This review should cover several areas such as:

- i. organisational planning in terms of production and business plans and any organisational changes such as expansion (e.g. opening new units, acquisition) or contraction (e.g. closing units, selling a branch of business);
- ii. a review of the senior managers inventory (e.g. their personal details, performance appraisal, potential);
- iii. a similar review of those who have been included in the "development lists";
- iv. a succession plan to meet any vacancies which may arise from a planned or sudden change; and
- v. an overall picture of the organisation should be possible to calculate and predict future management requirements at the various review stages.

Individual career planning should be considered as an element in any management development programme. It is essential in determining the individuals' training

requirement. Some writers think that the policy should be communicated to all managerial levels. A manager should be made aware of what is available to him in terms of training opportunities as well as future career prospects (e.g. Vineall, 1991; Hibch, 1990; Bennis and Casson, 1984).

To conclude this section one can say that at the policy and planning stage of the management development many elements should be explored. Namely, organisational planning, job description, managerial resource inventory and succession planning, managerial performance appraisal and potential assessment and development lists and career planning of present and future managers. These activities assist in diagnosing the training needs at both the individual as well as at the organisational level.

3.3.2 Management Training and Development Methods

This segment forms the bulk of the literature on the subject since it covers the techniques and mechanisms used in management development, for instance Huczynski (1983) lists more than 400 methods of management development and training. This vast quantity has misled many observers into believing that training methods are synonyms to management development (Storey, 1989).

There are a large number of ways in which learning activities for managers can be divided, some of which are:

on the job	Vs.	off the job
in company	Vs.	external

functional (production, finance) Vs. general (covering all functions)
 concerned with concept Vs. concerned with skills or attitudes or theory
 aimed at immediate needs Vs. aimed at longer term needs
 of short duration Vs of long duration

Management development activities can be grouped under many categories as described in the literature (e.g. Mullins,1988; Keys and Wolfe,1988; Storey, 1989 and 1990). However, to serve this study management training activities are grouped into two main categories, on-the- job and off-the-job (see Table 3.1).

Table 3.1 Classification of Management Development and Training Activities

TRAINING ACTIVITIES	GENERAL CHARACTERISTICS
1- On the Job - coaching and counselling - mentoring[understudy plans] - secondment and attachment - job rotation - action learning	- Learning company or job related skills through doing and observing
2- Off the Job - external - internal	Learning through participation in learning events in which a variety of training methods are used, either outside or within the firm

On the job Management Training

On the job training activities received increased attention in the early nineteen seventies after having focused on production and technical jobs. The activities which are appropriate for managerial levels are as follows.

Coaching and counselling activities refer to the roles that should be undertaken by line managers to develop their subordinates. Together the boss and the subordinate manager should set developmental tasks and review progress. Thus, the manager and his superior act in a student-tutor relationship while the supervisor is expected to improve the performance of the trainee by discussion, exhortation, encouragement and understanding (e.g. Verlander, 1986; Novarro, 1986; Mumford, 1987 and 1989). Coaching can provide a useful option where training requirements cannot be met by formal courses. Yet, it is very difficult to measure results. There is a tendency for coaching to be organised by the training department which, although not directly involved in the programme, provides support by selling new ideas for implementation, training the coaches, and helping to monitor progress. Coaching is often followed by counselling, done by a third party “ a specialist” and by interviews between boss and subordinate in which, sometimes the help of an external consultant is provided (Novarro, 1986).

Disadvantages of coaching are seen by Mumford (1987 and 1989) to be that supervisors/coaches are encouraged to adopt a non-directive reflective style which is intended to help the manager learn more from his own efforts. This style may come into conflict with the supervisor's everyday style which requires being decisive and getting subordinates to operate in the way he wants them to operate.

Mumford (1989) believes that many bosses would enjoy giving expert information to junior or inexperienced managers, but would find difficulty in pointing out to them their imperfections and weaknesses. Therefore, as he suggests, instead of trying to force

all managers into a coaching role, only those whose basic managerial style is appropriate for an effective coaching relationship with learners, should be helped and encouraged.

Mentoring [understudy plans] are similar to coaching, as they consist of appointing a young manager as a protégé. In this scheme, each senior manager, in addition to his regular duties takes a long term interest in developing a junior manager to prepare him/her for future advancement (e.g. Clutterbuck, 1987; Willbur, 1987; London, 1986; tack, 1986). This plan has a number of advantages and disadvantages. Its main advantage is that learning takes place in the atmosphere and position in which the manager will be expected to perform (Clutterbuck, 1987). Its main disadvantages are that it discourages others potential promotes and some superior might be threatened by potential replacements and keep their knowledge to themselves .

Secondment (inter-change) and attachments (apprenticeships) both provide opportunities for managers to undertake given tasks outside their actually held jobs. The first technique can help the secondee to learn some aspects and methods of doing a closely related work to their own in a physically remote environment. The second requires the trainee to accompany a more experienced executive and occasionally perform his/her actual roles (Peel, 1992).

Job rotation, which is also used as an alternative to promotion, provides managers with first hand experience of their firm's various activities and may incidentally acquaint them with sectors better suited to their particular abilities. Many organisations have planned rotation programmes according to which managers are moved on a co-ordinated

organisation-wide basis. In other organisations where rotation is unplanned, it is regarded as a sign of progress, since staying on one job for too long seems to impede success in a manager's career.

Margerison (1991) found that keeping a person in a job too long is one of the worst mistakes that can be committed in management development. It is vital that managers develop experience in many functions, early in their career, if they are to move up to senior positions. Senior people must be able to understand the total context of the business and this is best achieved by direct involvement in various functions. One of the results of Margerison's study was the suggestion that for any person moving into senior levels 3-4 years would be an optimum time for any one job.

According to Sayles and Strauss (1981), firms use rotation to develop generalists and to help indoctrinate employees with common perspectives so that they get more homogeneous in their viewpoints and understand each other better. Multinational firms in particular, view inter-country rotation as a means for passing technological and administrative skills through the organisation. However, given increasing resistance on the part of managers, (and their wives), to being moved, rotation among countries is declining as a form of management development.

Rotation has both advantages and disadvantages. Some managers find it challenging and exciting, others find it frustrating for themselves and their families. Some departments benefit from new ideas and fresh points of view brought in by an outsider,

others suffer in morale and efficiency at the hands of an outside manager unfamiliar with the special technical and human problems of the situation.

Action learning is a technique which applies the principle of "learning occurring through doing". It was first designed and implemented by Revans (1971 and 1982). He argues that managers above all are men and women of action, and that it is by taking action that they will develop further the necessary skills for their jobs. The method he suggested and which is central to action-learning is to organise exchanges so that a manager experienced in one organisation is placed in another to solve a particular set of problems. The trainee works on the other firms' problems for a given period, having many sessions of discussions and debates with other managers similarly coming from other organisations. As the trainee steps towards a solution, he learns in terms of discovering what he needs to know instead of what someone else feels is necessary for him to know.

Some of the problems associated with action learning stem from the reluctance of people already in the job to accept a stranger in their midst, a stranger who is there to advance his own development at, as they might believe, their expense. Furthermore the problem of confidentiality of operations may prevent a firm from participating in action-learning (Torrington and Chapman, 1983).

Revans has effectively dealt with this problem by often using firms of the same ownership, or firms which had no competing interests. Early examples of action-learning were those developed by Revans, notably the Belgium Inter-University project and the Hospital Internal Communication Project (Wieland and Leigh, 1971). There have also

been some well publicised programmes with General Electric Company (Mansell, 1975). Casey and Preace (1977), as well as a number of books and articles on action learning (Boddy, 1981; Pedlar, 1983; Mumford, 1984; Kable, 1989). The essence of Revan's "action-learning" notion lies in that management learning does not come simply from books but from doing a job and solving its problems.

As it can be seen from the previous discussion, management training activities vary to a great extent, which enables any organisation to select what is most suitable for its managers, structure, situation and environment in terms of learning. Organisations, as well as trainees, should pay a considerable amount of attention to the potential advantages or disadvantages of these activities in different situations. This holds true also when it comes to selecting the particular training method to be adopted from the extensive range.

Off the job Management Training

Activities which are executed off the job comprises another set of management training and development activities which mainly comprises attendance at various types of management education and training experiences where participants are emancipated from their work duties. This form of management development can be classified as external and internal or in house, depending on the agent who assumes responsibility for the programme.

External programmes are offered outside the company by educational establishments, research institutions, commercial agencies, consultancy organisations, professional or course-running organisations

Internal Programmes are arranged by the company itself for its employees

Some programmes, whether internal or external can be residential, i.e. offered in hotels, universities or company training centres which also provide accommodation. These programmes offer many advantages because participants get better acquainted and useful exchange of information can take place.

There is a debate going on currently as to which type of training can bring the best results. Advantages and disadvantages of each method are reviewed by Graham (1983).

Internal training is supported by those who believe that in-house programmes have the advantage of being designed with reference to specifically diagnosed training needs, and that these programmes can result in more active planning and the implementation of organisational change. Since well planned internal training can be designed around particular organisational and individual requirements, it is not surprising that almost all experts in organisational development and consultancy are in its favour.

Internal management training tends to direct itself towards forms of learning that are specific to the organisation, one of its main virtues is that it provides a process by

which managers are socialised to meet the particular managerial and behavioural styles which fit the needs of their organisations.

External training is mostly supported by educators, universities and management teachers. It is generally acknowledged that the break from daily pressures, gives managers an opportunity to re-evaluate both themselves and their performance on the job.

External training is not confined to a short course. There is a small but increasing proportion of managers who take a leave or are sponsored by their firms to attend a full-time course in management such as M.B.A. which is offered in increasing pace, in the UK (Handy, 1988). However, the role of education is more orientated towards longer term development of the individuals and more concerned with the general rather than the specific, thus, transfer of information from classrooms to the job is not the dominant element in general management education. Furthermore, some critics have questioned curriculum content relevancy of the MBA programmes (Van Doren et al., 1986). Mumford (1989) argues that MBA programmes emphasise knowledge, rationality and analytical skills while *“what is needed is a fundamental shift towards reality and effectiveness” (p.149)*.

3.3.3 Evaluation of Results

Management training is a multi-faceted process which requires many people to carry it out and requires a vast amount of money to be invested, hence the potential value

and benefit of such a costly endeavour must be proven to the organisation. Therefore, training evaluation is receiving much attention and many different approaches are proposed by various authors (Easterby-Smith, 1994). Nonetheless, this area remains problematic in many respects.

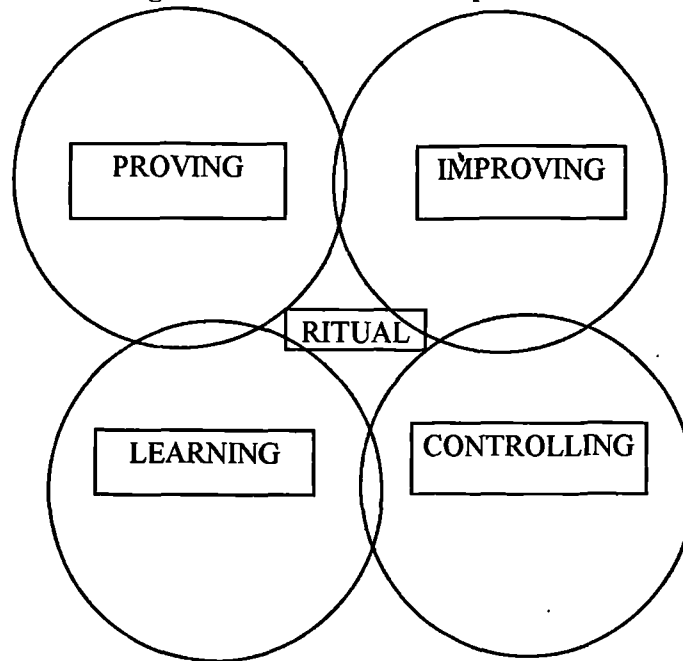
Many researchers believe that it is extremely difficult to evaluate management training due to lack of agreement on criteria, the diversity of approaches and complexity of the training process (e.g. Mumford, 1989; Easterby-Smith, 1994). For instance, Mumford (1989:155) stresses the reasons why evaluation is rarely conducted. These include:

- i. the absence of clear objectives and standards of achievement for the course;
- ii. lack of interest by line managers, who have not forced trainers to provide clear statements of benefits achieved
- iii. a lack of interest among trainers and educators, who are characteristically more interested in delivering the course than reviewing the results;
- iv. the actual difficulty in constructing relevant analytical processes [i.e. evaluation techniques].

The evaluation process however is believed to cater for many queries. Four general purposes of evaluation have been suggested by Easterby-Smith (1994). The first is “*proving*” which emphasises the values and benefits gained from training and developmental activities. The aim is to judge the way an activity is executed and to justify the cost incurred. The second purpose is “*improving*” which stresses future improvement of current programmes. The third is “*learning*” which implies that evaluation should be

considered part of a learning experience since it can not be easily separated from it. The last aim of the evaluation process is “*controlling*” which refers to the use of evaluation data to ensure that individual trainers as well as training departments are performing to the standards and meeting their targets. These four main aims are illustrated in Figure 3.6

Figure 3.6: Four General Purposes of Evaluation



Source: Easterby-Smith (1994) P.15.

As the four purposes are very broad it cannot be accomplished by a single evaluation process. Therefore organisations have to decide first on the objectives of any assessment efforts and to plan evaluation activities accordingly. In other words they have to determine the focus or foci of the evaluation process and determine whether it will be concerned with content, administration, inputs or outputs. Upon the choice made by the concerned party data collection media and methods are designed (Easterby-Smith, 1994).

Bramley (1991) argues that once an objective or a group of objectives are decided the next phase is to select a suitable approach. He classifies approaches for training evaluation into five sets according to the purposes to be served. The first group is goal-based evaluation that views training activities as cyclic where needs are identified and objectives are set then the evaluation is directed at measuring the degree to which the objectives are attained. The second set is system evaluation that is concerned with answering questions such as: is the targeted population reached? Is it effective? Is it worth the cost involved?. The third group is goal-free evaluation which emphasises opinions rather than measuring outcomes. The fourth set is responsive evaluation which attempts to assess the responses of all parties involved, the main client, the organisers, a sample of trainees and their superiors. The last group is labelled quasi-legal evaluation which involves a tribunal that includes representatives of organisers, users and accountants to submit evidence on the value of a training experience.

The above discussion gives an overview of the evaluation process. It is presented here to give a general understanding of the process in line with the objectives of this research only.

3.4 Summary

In the first section of this chapter three different groups of theoretical approaches to management development are presented and examined. These are the individualistic, the integrated and the competency-based approaches. The second section covers some

essential aspects of management development practices as they relate to the objectives of this study. The first facet discussed is the planning of this activity, the second phase considered is the methods used and the third stage is the evaluation of management training and developmental activities.

When relating the theory to what could be found in real practices in the Bahraini banking sector many questions are posed. However central ones for this research are:

1. What are the common approach or approaches that are adopted in this sector, if any?
2. How do the banks perceive management development as an organisational function?
3. How do the banks in Bahrain plan and develop the careers of their managers?
4. How do they plan practise and evaluate their management training activities?
5. Are there any differences?

CHAPTER FOUR

MANAGEMENT DEVELOPMENT AND NATIONAL CULTURE

4.1 Introduction

The relationship between culture and management practices has been approached on a basic assumption that management practices are "culture-bound". Comparative management and cross-cultural management methodologies have been adopted since the 1950's mainly in the USA, to discover any forms of interplay between culture and management.

There are other arguments that the broad environmental (e.g. social, educational and legal- administrative) factors have significant influence on management practices in general and management development in particular.

The Arab management practices found to be susceptible, at least to some degree, to socio-cultural influences which are derived from two main active components, the nationalistic "Arabic" culture as well as the Islamic value systems. Management development, as a planned and deliberate function, was seen as a governmental sole responsibility during the 60s and 70s. More recently, however, a growing interest among businesses and some professional agencies can be identified.

Therefore, the next sections will attempt to give a brief overview of the most prominent cross-cultural studies of management which in one way or another clarify the influence caused by some cultural and environmental factors on management development. Then, the major cultural elements in the Arabian World are explored as they relate to management practices. Moreover, some management development experiences in the Arab countries are highlighted.

4.2. Culture: concept and scope

Culture has been conceived linguistically to connote two distinctive meanings. Firstly, in a narrow sense culture means "civilisation" as an outcome of mind's refinement. On a broader sense, however, the term culture as used by anthropologists means the shared set or sets of values and attitudes that shape, to some degree, the behaviour of a certain society (see Weinshall, 1977; Tayeb, 1988; Hofstede, 1987; Evans, 1975; Child and Kieser, 1977) among many others.

Similarly (Hofstede, 1991: 5) used the analogy of the computer system to explain the meaning of culture and defines culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another."

It should be noted here that these common features of community members are learned through their life within what one could call the "*hardware*" of culture. This refers to the societal environment in which individuals grow up, attain their life experiences and assimilate their social interactions.

The boundaries of culture which are very abstract and hard to define in a sense to locate an individual within one culture. The difficulty stems from the fact that any person might belong to a number of different cultures at the same time (Hofstede, 1991). He argues that the following are examples of cultural levels:

- i. a national level according to one's country;
- ii. a regional and/or, ethnic and/or religious, and/or linguistic affiliation level;
- iii. a gender level, according to whether a person was born as a girl or a boy;
- iv. a generation level, which separates grandparents' from parents from children;
- v. social class level, associated with educational opportunities and with a person's occupation or profession; and
- vi. organisational or corporate level, according to the way employees have been socialised by their work organisation" (p.10).

The scope of cultures is seen to include groups and institutions with which the organisation in focus has exchanged relationships (Pennings, 1975). In other words, the country's stage of development where a study is conducted, should be elucidated and the related economic, legal-administrative and educational factors should be illuminated because it has been hinted that they have a degree of influence on management practices (e.g. Negandi, 1983 and 1985 and Nath, 1988). Recently, Bugra (1990) has pointed out that socio-cultural and political factors are also crucial for an adequate analysis of the influence of culture on management.

Therefore, economic, political, educational and legal-administrative elements are considered in this study because they are believed to be, explicitly or implicitly, influential

in shaping management practices. According to the existing literature, planning, policy making and controls are affected by economic and political conditions. Training and development budget confront serious problems during economic difficulties (Harrison, 1989). Political unrest creates an unfavourable atmosphere for formulating specific policies for managerial development. Survival of the business takes priority over developmental policy making.

Educational level of managers assist in widening their creativity and imaginations to deal with even complicated environments. Also, availability of educational institutions that provide managers with more specialised knowledge of management and supply them with the essential managerial skills in the form of managerial training. In general, managerial receptivity to change seems to correspond to their level of education.

The legal system usually decides the form of relationships between organisations and their employees. Specifically, in developing countries, and Bahrain is an example, employment laws are enacted to regulate many personnel processes, and the training and development of nationals are imposed by laws. In a situation where expatriates are required their contracts conditions are subject to governmental approval. The legal system is, therefore considered as a main element within environment.

From the above discussion, culture appears to play a significant role in human behaviour and perceptions. But culture is not a characteristic of individuals, it encompasses a number of shared national, regional and ethical conditions among others (e.g. religion, customs and traditions, education, etc.) which distinguish a member of one

group from another in terms of behaviour. In the following section some research-based evidence on managerial practices in different contexts is examined and briefly discussed.

4.3 Management in cross-cultures

The diminishing of the "one best way" notion in management that dominated the writings of early management schools and the rising of the open system and contingency approaches in the 1960's have stimulated, among other factors, the study of management in various cultures. For instance, Massie (1972: 4) claims that:

"The practice of managing is a universal activity in all countries. The approaches to management, however, differ among countries. In fact, the meaning of the word management varies depending on the language and the disciplinary orientation of the user and the stage of development of the country".

According to Drucker (1988a) there is a direct interplay between culture and management and management practices are at least in part based on the beliefs, customs and political system of the culture within which the organisation operates.

Many other factors have contributed, in one way or another, to the huge interest in the cross-cultural study of management and no single research could cover all of these variables, but some examples may help.

Firstly, the emergence of international and multi-national organisations with trade and operations across national borders have raised many questions such as whether or not domestic and foreign operations should be managed in the same way. This point of view

has called on international managers to gain a good grasp of local cultures (Payson and Rosen, 1991).

Secondly, the success of Japan in the past few decades, has encouraged many researchers to try to uncover the secret behind the Japanese prosperity and to assess if Japan's distinctive culture accounts for this success or not (Tayeb, 1988; Pascale and Athos, 1982).

Thirdly, the recent development in communication and transportation i.e. the means and ways which brought the world to be considered as a "global village" has dictated that any business person needs to understand the logic behind different business practices in different cultures.

Fourth, the end of the Cold War between the East and the West blocks and the democratisation and openness of the Communist societies have opened new opportunities and new cultural challenges to managers on both sides and require them to have a reasonable knowledge of the new situations.

Fifth, the failure of many management development programmes has been blamed on a misunderstanding or ignoring of local realities (Kelly, 1987). In fact, a vital impediment to the transferability of management concepts to different nations, regardless of the development stage of their economies, is the failure to take into account local economic, social, cultural and historical conditions (Hofstede, 1983a and 1983b).

The basic emphasis in cross cultural management research is to evaluate the impact that cultures have on individual behaviours in the workplace which stems from their value systems(Adler, 1983),. That is, people of various backgrounds have different perceptions of their roles within their organisations and, in turn, these perceptions shape their behaviour (Hortum and Muller, 1989).

4.3.1 Management Development in Different Cultures

The broad agreement that management development is a process that is associated with the provision of required managerial talents for organisations in the various industries on a continuous basis has been accepted at international level. Yet, the practices, the approaches and the underlying philosophies of management development have been noted to vary from one culture to another (Hofstede, 1983a Handy et. al., 1987 and 1988 and Evans, 1990). Hofstede, for example, points out that the disappointing contribution of some attempts to transfer Western management development methods to the developing countries was caused by cultural constraints.

This situation is not confined to the developmental stage of the nation, but differences have been found among the most developed economies (Evans, 1990; Hall, 1984 and Handy et al, 1987,1988). Handy and his associates, for instance, found that various approaches have been employed in five of the most industrialised nations (i.e. UK, USA, Japan, France and Germany). Handy's study has cited some examples of the traditional cultural stereotyping peculiar to the five nations that are found to contribute to the prevailing management development practices within organisations in these societies.

In the United States education is perceived to be significant in all aspects of life. Thus, 85% of their top managers hold a university degree, and management is considered to be a quasi-profession. A quarter of postgraduates are seeking an MBA degree, many large corporations created their own "corporate college" and university training programmes are extensively attended by executives.

For the Japanese, both education and on-the-job training "apprenticeship" correspond to their traditions of lifetime employment commitment, especially in large firms and seniority is a major promotion criteria.

The French culture has two main characteristics "rationalism and legalism" which have some bearings on their approach to management development. Legally, French corporations are required to spend 1.2% of their payroll on training, to have development plans for their work force, and to produce annual reports on their training activities. Therefore, specialists managers are popular in France, although some recent changes towards general knowledge of managers are gathering momentum.

In Germany, functional training "apprenticeship" precede specialised long education, mostly in pure or applied science because humanities are not viewed to be relevant to management. This long process resulted in the dominance of specialist managers and most well-educated Germans enter employment at an average age of 27 years. The story of the president of "Mercedes-Benz" who retired in May 1993 is an example of the German management development traditions "Mr Mercedes" as they call

him within the company, joined the firm in 1943 as a mechanic and climbed his way up to the organisations summit reaching the presidency in 1989 (Al-Wattan daily, 1993).

The British have different traditions and have a culture of their own. Traditionally, management had been seen as a low status function related to service jobs rather than an active role at the top of the organisation. Furthermore, it was viewed as a practical art more than applied science. As a result of such attitudes, management development was merely left to experience to distinguish between effective and ineffective managers. In the British traditions "character, initiative, energy and imagination" factors outweighed educational qualification in gaining promotion to managerial positions. Nonetheless, a gradual change is taking place in Britain towards management's role and quality in recent years. A mixture of the Japanese, the American and the French patterns of management development were adopted by many British businesses (e.g. early recruitment with a mixture of training and experience the Japanese way, elite recruitment with little or no training provision the French approach, and the American method with formal education and training for managers and would-be managers) (Handy et. al., 1988).

Evans (1990:46) summarises the patterns of some management development experience in different cultures in the following statements:

"Strategies for developing managers vary widely between different cultures and countries. In Germany, functional specialisation is the norm, while generalism dominates in the UK and north America. Japanese companies typically believe that it takes four years to do a job well, while western high-fliers are expected to hold 10 jobs before they are 40."

In the developing countries the need is even greater for management development since the success of their economies depend on the effectiveness of their management (Margerison, 1991). He further argues that the real test for management development is to cope with local cultural problems and to deliver the right types of managers who would be able to transform the living standards of their communities.

The above discussion asserts the role of culture in shaping managerial and organisational development choices. It could help or hinder, facilitate or falsify any adoption of any approach depending on its consistency with the inherited heritage of a given societal construction. In other words, if the adopted management development scheme is at odds with the cultural realities it frequently fails to bring about the desired results (Hofstede, 1987).

Given that this statement is true, the discussion will be directed towards the culture which is the focal point of this study i.e. the Arab culture. Its components will be discussed then the related features of the Arab management will be emphasised.

4.4 The Arabs Culture: Some Basic Elements

In light of the previous conceptualisation of culture as the software of mind and given the fact that the present so-called "Arab World" consists of more than 21 politically independent states, it seems appropriate for a remote person to dispute whether there is in fact something called "Arab culture". Yet, it has been acknowledged that the Arabs are

more homogeneous in their perception of life than Europeans (Nydell, 1987) She further argues that

"All Arabs share the same basic beliefs and values which cross national or social class boundaries • Social attitudes have remained relatively constant because Arab Society is conservative and demands conformity from its members Their beliefs are influenced by Islam even if they are not Muslims and the family structure is essentially the same and they have high regard for tradition" (p 16)

The above quotation emphasises that the roots of the common features among Arab countries stemmed from two main forces, Islam and Arab traditions Thus, it is of prime significance to become familiar with such a complex culture through a clear understanding of its main elements i e Islam and Arab tradition

4.4.1 Islam: A religion and a way of life

Religions, in general, are considered to be specific systems of belief, worship, conduct etc , often involving a code of ethics and philosophy However, Islam is also a social order and a way of life which aims at producing a unique personality and a distinct culture for the society (e g Esposito, 1991, Ahmed, 1987, Maududi, 1980, Haneef, 1979, Toynbee, 1961, Kroeber, 1952)

Islam is basically founded on confessing to the Oneness of God "Allah" and His divine sovereignty of the Universe Other prime beliefs in the Islamic faith are the beliefs in the Angels, in the Revealed Scriptures, in the Prophets of Allah starting from Adam, in the Day of Judgement, and in the Divine Decree In addition to these tenets there are the

five ritual and spiritual acts of worshipping "pillars of Islam" (i.e. Declaration of Faith, the Five Prayers, Fasting during the month of Ramadan, Almsgiving and Pilgrimage to Makka).

A closer look at each of these elements of Islam could elucidate its impact on the Muslim life. For instance, the acknowledgement of God Oneness, Power and Control over the Universe has led up to the belief that humans cannot control all events, "fatalism". Praying five times should teach Muslims to be decent in their relationships, to be organised in their daily lives and to fulfil their duties promptly. The philosophy behind fasting goes beyond its known mission in other faiths as a means of appeasing God's wrath to self-discipline as well as cultivating kindness and sympathy with the poor. Finally, pilgrimage symbolises purity and equality of people before God regardless of their colour, race or social status.

Characterised by an uncompromising belief, Islam has had a significant impact on the structure of the moral, cultural, political and economical system of the world in a relatively short period of time (Esposito, 1991). Accordingly, Toynbee (1961: 461) wrote that:

"Buddhism did not make political impact on the world on a grand scale until about two hundred years, and Christianity not until about three hundred years after the founder's day. . Islam made a comparable impact during the founder's own life-time and its political fortunes were made by the founder himself".

Furthermore, Kroeber (1952: 381) in his book "The Nature of Culture" in a response to an earlier writing of Toynbee argued that:

"It (Islam) manifests unusual cohesiveness and uniformity in spite of its vast spread, and it possesses not only a "universal" idea system of church, to speak to Toynbee, but a universal language and writing in Arabic. Yet Islam lacks some of the most significant features of other great civilisations. It had no infancy and no real growth but sprang up Minerva-like full blown with the life of one man".

Such observations pronounce that Islam, from its inception was a highly structured body of doctrine and a strictly conceived way of living that is applicable at any time, anywhere. The "Shariah", the divine law of Islam governs the Muslims relationships at all levels from interpersonal to international. According to Hitti (1970) this law is comprehensive, accurate and suits all men at all times in all places. This law covers in minute detail, all the aspects of life of the citizens of the Islamic State regardless of their faith. Weekes (1978) described the inclusive nature of Islam that it has comprehensive laws that cover almost all human activities whether it is personal or interpersonal. It regulates the state's affairs and relationships with its citizens as well as with another political entity.

This law is derived from four main sources (i.e. Quran, Sunnah, Gias and Ijma). Quran is the revealed scripture to the Prophet Mohammed. Sunnah is the saying and practices of the Prophet. Quiyas is the analogical reasoning by religious scholars to confront new situations in the Muslim societies. Ijma refers to the consensus of the jurists.

4.4.2 The role of some social institutions

The Arab social values systems are essentially derived from the teaching of Islam and the centuries old Arabian heritage according to many studies and writings on the Arab society (e.g. Abou-Zeid, 1966; Patai, 1973; Matheny, 1981; Nydell, 1987). Although a comprehensive account of the Bahraini societal structure will be examined later in this research, the social themes which are related to management development practices in the Arab culture in general are briefly discussed below.

The Family

Historically families, clans and tribes had played a protective role in the Arab Society which gives it the present importance in the social structure. Furthermore, Islam has proclaimed family as the basis of the entire socio-cultural system and a self-sustaining mechanism to ensure social, ideological and cultural stability over the span of society on the one hand, and in time, past, present and future on the other (Ahmad, 1987).

The family as a social institution is undoubtedly the most fundamental and the most important feature of the Arab society (Patai, 1973). Arab societies are built around the extended family system and loyalty and obligations to it precede over loyalty to friends and the demands of the job (Nydell, 1987).

Relatives are expected to help each other in all means including financial assistance, if required, or getting a job or promotion through social relationships. Therefore, family support is indispensable and considered to be the ultimate refuge of its

members. Responsibility for other members of the family rest on older men of the extended family and older sons of the immediate family. Respecting the older is a remarkable value in the Arab culture and his word should not be challenged.

Friendship

The concept of friendship in the Arab culture exceeds its concept in the Western cultures in that it requires friends to give help and do favours, for instance, it is unusual for an Arab to openly refuse a request from a friend. In business relationships a good personal contact is the most significant single factor which leads to more efficiency than following rules and regulations (Nydell, 1987). Al-Faleh (1987:21) has argued that:

"Managers rely upon family and friendship ties for getting things done within an organisation and in society in general"

Intermediation: "Wasta"

This social phenomenon, where a third person is designated to act as an intermediary between two other people is very common in Arab society. Personal influence is very helpful in getting decisions made and things done, so people often ask someone with influence to represent them. Nydell (1987:28) stated that:

"If you are a manager, you may find that some employees prefer to deal with you through another person, especially if that person knows you well".

The more socially or politically influential the intermediary the faster he can get the work done and the more he expects to receive exceptional attention and positive response

4.5 Arab Management

Arab management has been viewed to be influenced almost, at all levels, by its environment, hence many have questioned the fate of and argued against the transference of the Western concepts and models of management into the Arab culture. For example, Kassem (1989 17,18) contests that

"Unlike many corporate managers in the West, Gulf Arabs are traders by tradition. They typically rely on market instincts, not on hard data. This "trading mentality" is focused on the short term. A streak of fatalism may also creep into this mind set. Moreover, Gulf Arabs tend to be traditionalists at heart. They idealise the past and distrust the future. They prefer the tried and true to the untried"

On the same stream Al-Faleh (1987) affirms the cultural weight on the Arab managerial thinking and behaviour. A survey of the literature on Arab management, although not abundant, has indicated some distinctive features in all the aspects of management, especially in the following domains

4.5.1 Some historical Roots

The Middle Ages (Ca 600-1500) or “ the dark ages”, as some have chosen to call this span of time, were characterised by the supremacy of the feudal system in

Europe. Feudalism was hierarchical in its organisational structure where little, if any, authority was delegated downwards to the vassals (Wren, 1987). No writings relating to management concept or practices were detected in Europe during that time (George, 1968).

The Muslims, nonetheless during the expanding phase of their state (Ca. 700-1500) had contributed to management concepts from a philosophical point of view at least (Van Fleet, 1991).

Some basic management ideas can be gathered for the works of some Muslims writers during that time.

Abu Yusuf (731-798) was the first to hold the title of Grand Judge “Qadi Al-Qudat ” in Islam and was a consultant to the then Caliph on administration affairs. In his book “ Land Taxation ” he identified some essentials of public finance, taxation and criminal justice.

Al-Farabi (880-960) who is known more as a philosopher wrote about managing a kingdom or a state and presented a list of leaders’ traits which includes :

- | | |
|---|--------------------------------|
| i) great intelligence, | ii) excellent memory |
| iii) eloquence, | iv) firmness without weakness, |
| v) firmness in the achievement of good, | vi) love for justice ; |
| vii) love for study, | viii) love for truth, and |
| ix) aversion to falsehood. | |

Al-Mawardi (975-1058) was an authority on Islamic government and administration (al-Buraey, 1985) The major work of Al-Mawardi is concerned with public administration from an Islamic perspective and treated most aspects of the state and government structure accordingly

Al-Ghazali (1058-1111) was a prominent scholar whose expertise covered many fields of knowledge and his treatise “ Nasihat Al-Muluk ” or (Counsel for Kings) is the one which deals with management issues and includes a list of leaders’ traits similar to Al-Farabi’s

Ibn Taymiyyah (1262-1327) has been recently called the father of “Islamic management”. Ibn Taymiyyah’s most significant contribution to management can be found in a book titled “The Principles of Religious Government”

“This small book, which was written six centuries before Taylor and Fayol uses the first scientific methods of outlining the principles of administration within the framework of Islam It covers the duties and responsibilities of the executive, the principles of competence in personnel selection, the right man for the right job, and so forth” Al-Buraey (1985· 277)

Ibn Khaldun (1332-1406) was an advisor on organisational and political actions to kings, sultans and caliphs in his time He was the first to study organisations using the comparative methodology in the fourteenth century and applied cultural sciences to understand organisations (Dale, 1960) Furthermore he contributed to the concept of organisational growth when he described organisations as a natural organism that develop from infancy to maturity and then decline (Mahdi, 1957)

After this brief discussion of the Arabic management history next some basic characteristics of today Arab management are examined

4.5.2 Characteristics of Management Practices in the Arab Culture

Islam is a broad moral frame of reference, the Arab social relations system as well as the economical and political realities in the Arab countries are believed to have some effects on management practices Here are some examples

Strategic Planning

Long range planning orientations of the Arabs managers were found to be culturally and environmentally-bound, thus, they do not apply Western criteria in formulating their organisational strategies Hofstede (1980) indicated that the Arabs were found to be high on uncertainty avoidance Kassem (1989) concluded from a study carried out in the Arabian Gulf region that the preponderance of reactive planning styles in the surveyed organisations is due to both environmental as well as cultural forces Namely, the high dependence of the region's economies on a fluctuating international oil market and the confidentiality of information at the environmental level On the cultural side, he perceived dependence on intuition rather than hard data and a focus on the short term, reliance on expatriate technical expertise and, to some degree, the involvement of "fatalism" (i e the unknown future belongs to God)

Al-Faleh (1987 20) observed the following characteristics of Arab managers planning orientation:

- 1 Management is reactive and crisis-orientated
- 2 Innovation and risk taking are activities which seem to be more often punished than rewarded
- 3 Constant change and high level of uncertainty at work
- 4 A low-trust atmosphere and political gamesmanship characterise organisations together with closed information systems and low levels of disclosure of organisation members

Abuznaid (1990) in his research into some aspects of management in the West Bank indicated that the political and economical situation has some bearing on the managerial attitude and that the majority in his sample sustained the fatalistic orientation of the Arab managers in regard to long-term planning

Managerial Style

Ali (1989) found that the dominant decision style among the Arabian managers in the Gulf region was a consultative one in accordance with previous researchers findings (e g Muna, 1980, Al-Jafary and Hollingsworth, 1983, Al-Faleh, 1987) Al-Faleh (1987) observes that the consultation process is done on a person-to-person basis and through an informal and unstructured manner and that decision making is avoided, if possible, and could be negotiable at a later time

However, Ali (1989) maintains that the participative style is emerging and valued in the Gulf region, especially by those who work with foreign companies

All the above researchers have related the consultative style to cultural elements, specifically the Islamic and tribal values and beliefs which are rooted in that part of the world

The evident authoritarian management style in some Arab countries also has been reported by some researchers to be derived from the environmental context (e.g. Al-Faleh, 1987 and Ali, 1989). These researchers among others, have affirmed that the Arab managers favour a traditional approach to management, which is, to a large extent, a natural outcome of the prevalent social value system

Managerial and organisational values and commitments

As far as the Arabs work value and commitments are concerned, the limited number of researches which applied comparative methods have confirmed the roles of social values and general environment in shaping both the work values and commitment of the individual. According to Badr, Gray and Kedia (1982), Muna (1980), Al-Faleh (1987), Al-Meer (1989), At-Twajri (1989) and Abuznaid (1990), the cultural impact on Arabs work values and commitment is manifest and perceptible

Muna (1980) concluded that Arab executives are more person-orientated than work-orientated and that they are susceptible to various pressures from families, friends,

relatives and from the wider community. These pressures influence the managers thinking, their decisions and behaviour and practices. Al-Faleh (1987:20,21) pointed to the following features as characteristics of the Arab management that stem from the prevailing value systems

- 1 Organisation members are motivated by affiliation and power needs rather than by performance objectives
- 2 Social formalities are extremely important
- 3 In group affiliation and group interaction, kinship ties are important
- 4 Nepotism is regarded as natural and acceptable. Arab managers view their organisation as family units. They value loyalty and efficiency
- 5 Punctuality and time constraints are of much less concern than in Western cultures.
- 6 Managers rely upon family and friendship ties for getting things done within an organisation and in society in general
- 7 Subordinates act with deference and obedience in the formal hierarchy of authority

At-Twajri (1989) in a cross-cultural comparison of managerial values utilising a sample from American and Saudi managers working in American firms in Saudi Arabia has reported significant variance between American and Saudi managers values and found no explanation but the cultural disparity. The results of this study pointed the fact that Saudi managers allocated more importance to prestige inside the organisation and to subordinates welfare than the American

Al-Meer (1989) applied a comparative approach in examining the patterns of organisational commitment of Westerners, Asians and Saudis working in Saudi Arabia. His findings indicated that the political, economical, legal- administrative factors at the

original country level and the religious, cultural and personal qualifications and background at the individual level are fundamental determinants of the commitment norms of the workers at all levels. Specifically, the Asians were found to be more committed to their jobs than both the Saudi and Westerners. Three explanations were given by the researcher for this conclusion. The first is that the Saudis enjoy a legal advantage that gives them employment priority over expatriates, the social relations support and enhance their chances, the massive training and educational opportunities which recently were made available to them by the government and its agencies assisted by the huge national income and the vast private business chances opened for them have negatively related to their organisational commitments. The second is that the Asians mostly come from relatively poor countries where jobs are very scarce and, if found, the financial incentive are miserable, most of them are Muslims who believe that being in Saudi Arabia is a good chance to visit the holy shrines of Islam. Finally, Westerners are well qualified people who were attracted by abundant financial incentives; they see no obstacles in their way to find another job elsewhere.

On the contrary, Abuznaid (1990) found that the Arab managers in the West Bank viewed faithfulness and commitment to work to be traits of successful managers.

4.6 The Reality of Management Development In the Arab World :

In light of the previous discussion of the Arab management characteristics, one might argue that many variations exist between the Western and the Arab practices of,

and approaches to, management that could be related to social differences. Yet the need for management development at least in a general sense, is a world-wide urgency.

Notwithstanding, in the Arab world, including Bahrain, the needs are immense and more acute due to the fact that the Arab countries are developing countries with special needs. In those developing economies, management development activities are conceived as a vital part in the overall development process. Murrell (1984 :25) for instance, pointed out that training and development are essential to the developing countries to accomplish the following goals:

1. Human development (managerial, technical and educational).
2. Local management of transfers of technology.
3. Building a self-sufficient managerial infrastructure.
4. Increasing planning skills.
5. Appropriate industrialisation, using local manpower.
6. Any development where new skills, attitudes, or increased knowledge is important.

The majority of the literature available on the Arab experiences with management development has echoed the above argument with special emphasis on the public administration reform and development (e.g. Abushakha, 1987; Muna, 1987; Al-Faleh, 1987; Al-Tayeb, 1989; Al- Hamoud, 1989 and Saaduldin, 1989). Nonetheless, these attempts do not yield satisfactory results. *"They were short of achieving their aims and contained a lot of mishaps that controlled the administrative performance. and also delayed the planned socio-economic development"* (Abushakha, 1987:213). The reasons

behind this failure were blamed on some environmental and cultural factors at the national, the organisational and the individual levels

4.6.1 Environmental and Cultural Constraints

The main hindrances to management development can be associated with local environmental and cultural realities. These constraints can be located at three levels according to the writings of some specialists (e.g. Ahmad, 1987, Al-Qubaisi, 1984, Al-Faleh, 1987, Shiaban, 1987, Muna, 1987, Salim, 1989),

At the national level in spite of the fact that a well trained work force has been considered to be a crucial element in and a prerequisite for the overall developmental course of actions, a comprehensive perspective on management development is lacking. Some think of it as a training undertaking, whilst others view it as managerial systems and work procedures that could be borrowed from more advanced nations. This attitude is seen to be a natural result in a society going through fast transition where material and economic developments outran the social and cultural evolution (Ahmad, 1987). Moreover, the following points are noted

- i the absence of competent training institutions that are equipped with both human and material resources,
- ii a small and narrow private sector that is unable to provide the necessary experience to qualify managers for their jobs,
- iii the presence of general aversion among most Arabs graduated to "apprenticeship" because of the availability of guaranteed jobs in the public sector.

At the organisational level, management development practices have been frustrated by

- i fragmented and short term planning of human resources in general, let alone managerial career development,
- ii over-employment and over-staffing especially in the public sector,
- iii traditional organising practices which has led to obsolete organisational structure, procedure and systems,
- iv over-centralised and bureaucratic decision-making process,
- v. the scarcity of well equipped managers, especially leaders who are able to carry out a developmental role,
- vi the lack of training and development programmes,
- vii the involvement of personal and social relations (i.e kinship, friendship and intermediation) in most of the personnel process from selection to promotion,
- viii the lack of commitment to management development on the part of the organisations and their top managers

At the behavioural (individual) level these factors have been pointed out as obstacles to management development and training

- i lack of concern for and awareness of work time and punctuality and their significance,
- ii passivity and accountability avoidance accompanied with weak innovation and decision making willingness,
- iii nepotism, favouritism are regarded as natural and acceptable where functional authority are malpractised and the subordination of the public and/or organisational interest to the individual interest,
- iv management training is not valued as a means of career development, since selection for and promotion to higher position is subject to subjective judgement,

- v. negligence of and indifference to work performance and productivity,
- vi the preference for individualistic approach to work over teamwork

4.6.2 Management Development: Some Experiences

In response to the general characteristics of Arab management and the mission attached to management development in relation to the overall development of the economies of the Arab countries many arguments have been made calling for management development ideas, techniques and approaches to be integrated with and reflect the Arab cultural values and beliefs if any progress could be achieved (e g Muna, 1980 and 1987, Al-Qubaisi, 1984, Al-Faleh, 1987)

Muna (1980) has spotted areas of dissimilarity in management styles and practices that are culture-specific and questioned the applicability of some Western managerial measures to the Arab context. The first is inappropriateness of joint decision-making in Arab management because it could be viewed as a sign of weakness on the part of the manager by his employees, Arab managers prefer consultative decision-making style over a participative and team-work seems not to be easily endorsed by Arab managers and workers alike The second is the Arab's sensitivity to criticism and open challenge to higher authority which constitutes a major constraint to conflict-resolving and problem-solving methods that require frank and open-confrontation (e g T-group and Managerial Grid) The third is the involvement of personal connections and social ties (e g nepotism) in personnel selection and promotion The fourth is the favour of person-orientation over task-orientation within the Arab organisations and society which undermines the

application of the impersonal and formal systems that are advocated in the Western cultures. The fifth is due to the developing nature of the Arab countries, where accurate data and information are short, skilful human resources are lacking and governmental regulations are widespread. Some known quantitative management systems (e.g. Operational Research) would be beyond the bounds of the local infrastructure. Therefore, Arab managers often rely on instinctive knowledge and relationships to achieve results.

In accordance with the above diagnosis, Muna proposes a "five managerial skills" model for the development of future Arab executives. The first group is conceptual skills or a "radar scanning" of the environment in Muna's words. This group of skills is very similar to Katz's (1955) understanding of the conceptual skills, however the emphasis here is on good insight "helicopter view" of the societal environment. The second set embraces delegation skills which according to Muna (1980: 119) seem essential for the Arab managers because they would

- i. save managers time,
- ii. train and develop employees,
- iii. utilise employees existing skills and resources, and
- iv. motivate employees

The third is related to conflict management where the need is for training that can help in changing the Arab managers' attitudes and their subordinates' expectations towards opposition. The fourth is concerned with time management skills because the Arab managers' working time is severely constrained by social relations and values (e.g. hospitality and deference). An awareness of this problem must be developed and skills to

cope with it must be sought. The fifth deals with change management skills that include abilities to handle change in all its phases through understanding it, introducing it to followers and explaining its positive consequences to avoid resistance.

Another example of management development proposals for the Arab world is the "National Strategy Approach" suggested by Al-Faleh (1987). Taking into account the distinctiveness of the culture and the stage of development of the local economies, the founder argues against the laissez-faire approach and contests that governments and their educational and training institutions are the only bodies capable of masterminding administrative and managerial development due to the inability of a narrow private sector to provide the desired programme. Further, he calls for a national strategy for management development that intends to raise awareness of individuals, organisations and government officials of the significance of management development and is based on a real understanding of the national circumstances. He argues more for establishing a school of management that cares for the needs of the Arab Nation by co-ordination and co-operation among the people and institutions concerned in all the Arab countries.

The main conclusion of this argument is that the Arab culture is distinct and that what has worked in other cultures (i.e. Western and Japanese) does not necessarily mean that it works in the Arab circumstances.

4.7 Summary

The study of management in different cultures has become very popular in recent years. The main reason behind this interest is the belief that management practices as well as organisational behaviour are subject to their surroundings i.e. environment.

A main element within the environment is the social value system that prevails in a certain culture. Social culture is defined as the software of human mind (Hofstede, 1991) which directs his or her behaviours.

Intimate social relations are found to be characteristics of the Arab culture. The roots of this culture relate to two principal elements i.e. Islam as a religion and a way of life and the centuries old Arab traditions

Many recent studies show that this close social relation system interferes with management and organisational activities.

In relation to management development despite its urgency to the overall development efforts, many of its processes are thwarted by some components of the prevailing culture. Largely the familial, friendship and intermediation social phenomena. Consequently Arab managers appear unable or unwilling to distinguish between their roles as managers and as members of the society. In addition, other environmental factors seem to influence their practices and behaviours i.e. lack of information as well as political and economical instability.

The present study intends to explore how management development practices are influenced by the national culture. In particular the following questions are examined

- I what are the implications of the intimate social relations on management development?
- II In what way does the Bahraini culture influence the career path of managers? and,
- III How do organisations and managers perceived these influences?

CHAPTER FIVE

THE BAHRAINI CONTEXT

5.1 Introduction

Modern societies are made up of organisations of various shapes and sizes or rather today's societies have become societies of institutions as Drucker (1988a) argues. Hence, continuous interactions, interdependencies and mutual effects amongst social institutions with their environment are inevitable and make it difficult to disentangle causes and effects in this process (Beardshaw and Palfreman, 1990).

Organisations which operate within a wider context, draw their inputs from their surroundings and discharge their output therein. Thus, the country's socio-cultural, political, economical and legal administrative circumstances will directly or indirectly have some bearing on their functioning. With all this in mind this chapter aims to introduce the readers to the main environmental parameters of the Bahraini setting. Given the background this should further facilitate comprehension of the findings of this research.

In the first section a general background of the country is presented. It covers the geography of Bahrain and a summary of its long history. The second discusses the demographic features of the society. The third examines the Bahraini educational system with special emphasis on the technical education and training. In the fourth section the

labour market and the characteristics of the labour force are introduced. The fifth section is concerned with the country economy with special reference to the financial sector and its contribution to the Bahraini economy. Finally, the social structure is outlined.

5.2 General Background

The State of Bahrain is an archipelago of some 35 islands situated in the centre of the Western shore of the Arabian Gulf about fifteen miles from the east coast of Saudi Arabia.

The total area of the country is approximately 268 square miles. Bahrain Island is the largest and constitutes 85% of the area of the country. Maharraq and Sitra come second and third respectively in terms of area. These three are the only inhabited islands and are linked by causeways.

In 1986 a vital causeway relinking Bahrain to the Arabian mainland after 7000 years was opened (Vine, 1988). It stretches across the Gulf from Khobar city on the Saudi Eastern coast to the north-west of Bahrain island.

Due to its strategic location Bahrain had attracted the attention of many traders and warriors alike over several thousand years. Hence, historically, it was identified with various ancient civilisations. It was described as "Dilmun" in the inscription of the Mesopotamian Civilisation. It was known as "Tylos" to the ancient Greeks. In the year three hundred BC it was named "Awal" by the Arabs.

In short, Bahrain could be considered a natural museum where the remains of many ancient civilisations can be found (Vine, 1988).

During the recent three centuries Bahrain passed first under the Portuguese (1521-1602) then under the Iranian (1602-1782) rules. The Iranians were expelled by an Arab tribe (Bani Utba) in 1783 under the leadership of Ahmad Al Khalifa, a great grandfather of the present ruler.

Nonetheless, in the nineteenth century the European colonial powers began to take interest in the Arabian Gulf region, in particular, Great Britain. Its concerns were to secure the sailing routs to India. Also, Bahrain's requisite for protection from the Iranian and the Ottoman Turks had led to a signing of a protection accord in 1892 between the two countries. This treaty lasted until 1971 when the British government granted a full independence to Bahrain which was proclaimed on 15th August, 1971. Upon independence Bahrain joined both the United Nations and the Arab league. By June 1973 a new constitution was ratified and in December of the same year elections to the national assembly were held.

The 1973 constitution pronounces that Bahrain is a hereditary state and proclaimed that the Amir is the head of the country . The National Assembly, however, represents the legislative body and contains thirty freely elected members in addition to the cabinet members. Nonetheless the Assembly was dissolved in August 1975 by the Amir due to lack of co-operation with the cabinet and has been suspended since (Europa Publication, 1994).

5.3 The Population: Some demographic Characteristics

The population was officially estimated to be 508,037 in 1991 in comparison to 89,970 people when the first census was undertaken in 1941. Table 5.1 summarises the growth of the population in relation to sex and nationality. The table shows the contributions of Bahraini and foreign nationals to population growth since 1941. More than one half of Bahrain's rapid population increase from 1971-1981 is accounted for by increments in the count of non-Bahrainis. Foreigners increased by 19.6% annually for the ten years, while Bahrainis increased by 3.4%. During this decade, expatriates living in Bahrain increased 5.8 times more rapidly than national residents.

This rapid population growth has been a consequence of two changing components, i.e. natural increase (births minus deaths), and net migration (immigrants minus emigrants). The former element could be ascribed to augmentation in public health services and improvement in the economic and social standard that followed the country's investment in education and public health after the development of oil resources in 1932. The later, however, could be related to economic development in the 1970s which attracted large numbers of expatriates to Bahrain.

Table 5.1 Population Annual Growth Rate by Nationality and Sex 1941-2001.

BAHRAINI				
YEAR	MALE	FEMALE	TOTAL	GROWTH RATE
1941	N/A	N/A	74040	
1951	N/A	N/A	93915	2.6
1961	65309	63173	128482	3.6
1971	89772	88421	178193	3.9
1981	119924	118496	238420	3.4
1991	163453	159852	323305	3.6
2001	234835	233704	468539	4.5
NON-BAHRAINI				
1941	N/A	N/A	15930	
1951	N/A	A/N	19029	2.0
1961	19417	7219	26636	4.0
1971	26542	11343	37885	4.3
1981	84869	27509	112378	19.6
1991	130893	53839	184732	6.4
2001	139242	59707	198949	7.7

Source: Directorate of Statistics (1993).p16.

The demographic characteristics of the Bahraini population have been a result of high rate of natural increase due to improvement in living conditions and the economic opportunities that attracted foreign workers in the 1970s. Nonetheless in the 1980s and the 1990s the migrant's figure is expected to drop to 6.4% and 7.7% respectively whereas the natural increase is projected to be around the usual rate.

In respect to age structure the population of Bahrain is typical of most developing countries, where young age groups are dominant. In 1980 those below 14 years of age accounted for 33% and in 1991 the percentage is estimated to be 32% (Directorate of Statistics, 1993). Therefore, Bahrain will need extensive planning efforts in education,

health and other social welfare services as well as labour force planning to create employment opportunities for the future generations.

5.4 The Educational System

Regular education in Bahrain started in 1919 for males and in 1928 for females. Governmental interest in and support for general education became evident in 1929 when the state assumed responsibility for education.

During the last three decades the public education system went through considerable developments and structural changes. The number of schools has increased from 50 in 1960 to 155 in 1990 and the number of students has increased from 18000 to more than 100000 respectively (Ministry of Education, 1991). Diversification in the curricula were introduced and new specialities were made available to students in the general education system, for instance secondary education now offers more than eight options of general, technical and vocational education. Spending on education in Bahrain has accounted for more than 14.5% on average from the 1980's onwards.

5.4.1 Higher and Management Education.

Higher education in Bahrain dates from 1968 when the Gulf Technical College was established. Nowadays, however, higher education can be obtained through the University of Bahrain (UOB), the Arabian Gulf University and other specialised institutions.

The University of Bahrain was established in 1986 as a consequence of the emergence of the University College of Arts, Science and Education and the Gulf Polytechnic. The Arabian Gulf University is an ambitious education project funded by seven Arab countries, i.e. the six Gulf Corporation Council Members States and Iraq. The first phase of the project was completed in 1988 and the whole completion is due in 2006. Nonetheless, the scheme suffered a great setback after the Iraq invasion of Kuwait in 1990.

In relation to management and business education the year 1981 marked the establishment of the Business and Management Department within the Gulf Polytechnic which formed the foundation of the College of Business Administration at the University of Bahrain.

By the start of the academic year in 1982 a credit-hour-based business and management programme had been formulated. This programme offers students choices of two venues, an Associated Diploma (AD) and a Bachelor in Business Administration (BBA). The first is awarded upon successful completion of 68 credit hours in Accounting (AAD) or 70 hours in Business Administration (ABD) an equivalent of two years. However, outstanding students are allowed to continue for a further two years and earn a B.Sc. degree.

In 1987 a post graduate curriculum in Business Administration was launched by the College of Business Administration at the UOB. This programme consists of two phases, a Post Graduate Diploma and then an MBA in Public Administration,

Management, Finance and Marketing. In the field of management development the College's contribution is noticeable through its continuing Management Education Programme (COMEP). COMEP was launched in February 1984 in response to a comprehensive survey of training needs within Bahrain's various sectors. The mission of this programme is to enhance managerial skills and knowledge through in-service training which is challenging in nature and can lead to a higher degree in management or related subjects.

5.4.2 Technical Education and Training

Vocational training and education is available to students as early as secondary school. However, Bahrainis who successfully complete the secondary stage can find further specialised education. A training plan which was initiated in 1980 by the government aims at providing training opportunities to 10,000 secondary school graduates in various occupations (Ministry of Information, 1990). Furthermore, the High Council for Vocational Training was formed by the Ministry of Labour and Social Affairs to co-ordinate and supervise vocational training in the country.

The Hotel and Catering Training Centre and the Bahraini Institute of Banking and Finance (BIBF) are good examples of the many technical training and educational institutions. The former provides in-service training for those who work in Bahrain's hotels, whereas the latter provides training to those who work in the financial sector.

Bahrain Institute of Banking and Finance (BIBF)

Following an initial survey of the banking sector and a later study undertaken at the direction of Vocational Training High Council in 1979, the BIBF was officially inaugurated in March 1981. The Institute forms a central source of training and education to support the career development of those employed in the financial sectors. According to the director of the BIBF the purpose of the Institute is threefold:

- i. to support the career development of Bahraini nationals employed in the financial sector;
- ii. to provide highly professional career development opportunities in banking, finance and insurance for Bahraini employees in a responsive and cost-effective manner; and
- iii. to contribute to the continuing development of Bahrain as a leading financial services centre (BIBF, 1991b:7).

The Institute is primarily financed by a levy of 1% of the total salaries of employees in each financial institutions i.e. payrolls . Secondary sources of revenue are tuition fees and interest income.

The BIBF presents a variety of courses and programmes in four areas that are related to the financial industry. The first field is insurance studies where participants offer training courses covering basic and advanced insurance topics. The financial and computer studies department provides courses on accounting and finance. The third is the Banking Studies and Diploma Programme Section which offers courses that range from intensive one day seminars to part time programmes lasting 12 weeks. The short intensive courses cover basic subjects such as Principle of Banking and Foreign Exchange as well

as advanced methods of finance such as Senior Corporate Finance, Financial Engineering and Asset-liability Management. Furthermore, a diploma programme which is recognised by the Chartered Institute of Bankers in London is provided by this section. The Banking Studies Diploma Programme (BSDP) is an evening course at both intermediate and advanced levels which began in 1983. Fourth, the Management Training and Professional Development department offers courses in three areas, namely Management, Workplace Communication and Marketing. As demand grows for management training in 1991 a total of 35 courses in 13 different management areas were organised and more than 470 trainees attended. Table 5.2 presents the BIBF 1993's management training courses.

Table 5.2 BIBF'S Management Training Courses.

Course No.	Course Title	Targeted Managerial Levels				
		Supervisors	Junior Managers	AVP's & Branch Managers	AGM's & AV's	GM's, Exec. VP's & SR. VP's
502	Introduction to supervision	*****	*****			
503	management skills	*****	*****	*****		
505	Senior managers programme			*****	****	*****
510	Time and personal productivity management	*****	*****	*****		
512	Appraisal skills			*****	****	
508	Managing change		*****	*****	****	
509	Problem solving and decision making		*****	*****	****	
507	Leadership skills		*****	*****	****	

SOURCE: Bahrain Institute of Banking and Finance (1993) Training Courses p.51

5.5 The Labour Force

The nature of the labour force in any country is closely associated with the demographical features of its population, the state of its economy, its educational system and its overall developmental stage. The case under consideration here is Bahrain, a typical developing country with a small and young population with an ambition to diversify its economy. The discovery of oil in 1932 marked a turning point in the country's economy and labour force where new job opportunities were created and new skills were required to cope with new realities. Nonetheless, the rapid economic growth in the 1970's that resulted from the oil prices boom has had an even greater impact on the labour force.

5.5.1 Composition and Trends

Bahrain had exploited the oil revenue rather smartly and invested heavily in the modernisation of its infra-structure and improvement in its social services. Thus, huge working opportunities were created which the national work force were unable to fulfil both in terms of numbers as well as skills. Therefore expatriate labour was welcomed to meet the requirements of various industries. These changes have resulted in major transformations in the size and composition of the Bahrain labour force. Sharp rises in the labour force are reflected in a 142% increase between 1971 and 1981, an average of 14.2% annually, in comparison to 3% annual rise over the previous 10 years (Directorate of Statistics, 1983). In terms of formation in relation to nationality and sex, in 1971 Bahrainis composed 63% of the total work force and women accounted for 6%. In 1981,

however, the immigrant workers outstripped the natives and formed 56% whereas the female proportion grew to more than 13% (see Table 5.3).

Table 5.3 Labour Force Composition and Growth in 1971, 1981 and 1991

BAHRAINI		MALE	FEMALE	TOTAL	OVERALL %
1971	NO.	36102	1848	37950	
	%	95	5	100	63
1981	NO.	52460	12176	64636	
	%	81	19	100	44
1991	NO.	73118	17544		
	%	80.6	19.4		40
AVERAGE ANNUAL GROWTH RATE	1971-1981	4.5	55.4	7.0	
	1981-1991	3.9	4.4	4.0	
NON-BAHRAINI					
1971	NO.	20950	1401	22351	
	%	93.7	6.3	100	37
1981	NO.	74348	7149	81497	
	%	91	9	100	56
1991	NO.	113739	22047	135786	
	%	83.8	16.2	100	60
AVERAGE ANNUAL GROWTH RATE	1971-1981	25.5	41.0	26.5	
	1981-1991	5.3	20.8	6.7	
TOTAL					
1971	NO.	57052	3249	60301	
	%	95	5.4	100	
1981	NO.	126808	19325	146133	
	%	86.6	13.2	100	
1991	NO.	186857	39591	226448	
	%	82.5	17.5	100	
AVER. GROWTH RATE	1971-1981	12.2	49.5	14.2	
	1981-1991	4.7	10.4	5.5	

SOURCE: Directorate of Statistics (1993)p87.

The overall 7% increase in the Bahraini labour force was mainly due to the 55.4% increase in women's participation plus the growing number of graduates at different levels

of education. On the other hand, the 26.5% growth in the non-Bahraini labour force was caused by the country's independence in 1971 and the 1970's sharp rise in the country's income from oil which created an immense demand for labour.

The economically active population is estimated at 212070 in 1991. However, the percentage of the population aged 15+ in the labour force (i.e. participation rates) increased substantially between 1971 and 1991 (i.e. from 49.8 in 1971 to 60.5% in 1981 and to 65.2 in 1991 [see Table 5.4]). Two factors have contributed to this expansion of the participation rates. The first is the increase of expatriate workers and the second is due to the gradual natural enlargements of the population as well as the growing number of females participating in the work force.

Table 5.4 Labour Force Participation Rates by Nationality and Sex for 1971, 1981 and 1991.

NATIONALITY/ SEX	1971	1981	1991
Bahraini			
MALE	7.1	73.8	76.4
FEMALE	4.1	13.3	18.4
TOTAL	41.1	43.7	47.4
Non-Bahraini			
MALE	96.5	97.5	98.0
FEMALE	20.2	36.3	55.3
TOTAL	77.9	85.2	87.1
Total			
MALE	83.3	86.1	88.2
FEMALE	6.2	18.2	29.2
TOTAL	49.8	60.5	65.2

SOURCE: Directorate of Statistics(1993) p.87.

The distribution of the labour force within the various industries has changed over the past thirty years. Yet, the public sector has been the largest employer with more than

30% of the labour force. However, in the 1960's and 1970's construction was the second largest employer with 17.5% and 21.5% of the labour force respectively (see Table 5.5). The changes in the labour force distribution have been in line with the country's economic development. The main elements that have contributed to the changes in the employment structure can be attributed to the building of the country's infra-structure, the expanding social services and the diversification of the economy.

Table 5.5 :Labour Force Distribution by Economic Sector and Bahraini Percentages.

ECONOMIC. SECTORS	1971			1981			1991		
	No	%	Bah.%	No	%	Bah. %	No	%	Bah. %
1. Agriculture & Fishing	3990	6.7	75.1	3709	2.7	65.7	5018	2.6	39.6
2-Mining, Quarrying & Manufacturing	84641	4.2	66.3	16165	11.9	46.2	30256	15.8	30.3
3-Electricity, Gas & Water	705	2.9	86.8	2854	2.1	65.7	2898	1.6	33.9
4-Construction	10404	17.5	54.2	29261	21.5	13.3	26738	13.9	8.0
5-Trading & Catering	7706	12.9	63.	18507	13.6	31.5	29961	15.7	22.9
6-Transport & Communication	7743	3.0	65.4	13181	9.6	65.7	13789	7.2	58.9
7-Financial Services	1084	1.8	68.3	4624	3.4	60.3	17256	9.0	33.9
8-Public & Social Services.	18388	31.0	59.4	47608	35.2	47.2	65447	34.2	62.4
TOTAL	59484	100	62.7	135909	100	41.6	191363	100	39.6

SOURCE: Compiled by the researcher based on Directorate of Statistics(1993)p. 303-305

5.5.2 The Legal Framework

Clearly the Bahraini labour market has gone through noticeable changes with regard to its composition and size since the 1960's. Of the obvious alterations are the constant increase of expatriate workers and the expanding employment of the private sector. Hence, Law No. 23 of 1976 was enacted to meet the legal aspects of private sector employment.

The Labour Law for the Private Sector (No. 23 of 1976) has replaced an earlier Labour Ordinance which was passed in 1957. It has a comprehensive legal framework that regulates employment in the private sector.

The implications of this act on human resource management practices in the banking sector are apparent in two respects. First, in regard to expatriates employment, Chapter Two of the Law requires all private employers to acquire permits before employing any foreigner from the Ministry of Labour. Work permits are valid for one year and are renewable for similar periods. The Law makes it clear that expatriates should not compete in the labour market with national workers given that a Bahraini worker is able and willing to perform the same job. Secondly, Chapter Three of Law No 23 promotes the employment of Bahraini nationals. It gives them priority in recruitment and selection and calls for replacement plans to be initiated for all positions in all organisations that are held by non-Bahrainis.

According to this legislation the establishment of private employment agencies that operate for profit is prohibited. It also indicates ways for labour disputes to be resolved, i.e. conciliation and arbitration. However, free labour unionisation is not allowed in Bahrain.

The responsibility for this law implementation resides with the Ministry of Labour and Social Affairs (Ministry of Labour and Social Affairs, 1986).

5.6 The Bahraini Economy

Bahrain's economy has gone through three major transformational phases. The first can be dated to hundreds of years ago when the population depended on agriculture, pearling and trade. The discovery of the oil in 1932 marked the end of this stage and the beginning of the second. The third stage, however, began in the early 1980's when both oil production started declining and its price was faltering. Then the Bahraini government took an initiative to diversify the economy. This initiative resulted in a well-diversified economic base that includes oil-refining, petro-chemicals, aluminium and related downstream industries, ship-repairing, small to medium-size manufacturing firms and a large international financial services sector (Euromoney, 1992).

5.6.1 The First Stage (Prior to 1932)

Prior to the economic recession of the 1920s and the discovery of oil in 1932 Bahrain's economy was heavily dependent on three main resources, i.e. pearling, agriculture and trade. Nevertheless, it had one of the most prosperous economies in the Arabian Gulf region.

The pearl fishing and related industries had then employed nearly half the male working population and accounted for approximately 90% of the total export (Bahrain Monetary Agency, 1991a).

Agriculture was the second source of income despite harsh weather conditions and a limited area. Agriculture was confined to the northern fertile strip (70,000 hectares). Furthermore, irrigation relied on water springs and the main crops were dates, vegetables and alfalfa.

By the 1930's agriculture started to decline due to a combination of factors. First, the increase in drilled water wells caused a water shortage. Second, the discovery of oil had distracted workers away from agriculture. By 1970 an estimated 75% of the arable land was abandoned. consequently, today's agricultural contribution to GNP is estimated to be less than 1%.

The third major economic activity was trade. Traditionally, Bahrain used to be an entry port and distribution centre for the region helped by its strategic location and its harbour facilities. The growth of trading internationally had resulted in customs duties that accounted for more than 90% of the total Government revenue (Bahrain Monetary Agency, 1991a). Although trade continues to be an active component in the Bahraini economy, its share has fallen dramatically since 1932.

5.6.2 The Second Stage (Ca 1932-1980)

Petroleum was discovered and commercially produced in 1932. This could not have happened at a better time for Bahrain . Since it saved her economy from the devastating effects which could have ensued from the sharp drop in demand for natural pearls in the 1920s following the rise of the Japanese cultured pearl industry (Bahrain

Monetary Agency, 1991a). However, a sharp increase in oil demand did not emerge until the recovery of the world economy after World War II. The crude oil output rate reached its peak in 1972 and started to decline thereafter.

Currently Bahrain oil production is around 43,000 barrels per day. A large refining industry was developed to take advantage of oil production locally as well as imports from neighbouring states. The capacity of the refinery in 1989 was 250,000 barrels per day. Oil revenue has overshadowed every other source of income during the 1970s, and has contributed to over 70% of the country's income.

The government of Bahrain has realised that dependence on one source of income that is limited in terms of quantity and liable to the uncertain international market is a gamble they do not want to take. Therefore, Bahrain embarked on an economical diversification programme as early as 1967 with the establishment of the Development Bureau. The aims of the Bureau were to increase employment opportunities and foreign exchange revenues and to encourage the level of private sector investment in the economy. Consequently, a well-balanced and diversified economy which contains oil-refining petrochemical, aluminium and many other small to medium scale industries as well as a major financial services sector were established in the following decades.

Table 5.6 The contribution of the various sectors to Bahrain's GNP.

SECTORS	1975	1985	1992
A-Primary Sector	37.2	25.4	15.3
1. Agriculture and Fishing	1.6	1.0	1.0
2. Mining (Crude oil)	35.6	24.4	14.3
B-Secondary Sector	18.0	10.1	17.1
3. Manufacturing	17.5	8.5	16.3
4. Electricity & Water	0.5	1.6	1.8
C-Tertiary Sector	44.8	64.5	67.6
5. Construction	8.1	8.2	5.2
6. Transport & Communication.	6.3	10.2	10.0
7. Trade & Catering Services	10.6	7.3	11.0
8. Banking and Insurance.	3.0	13.8	15.4
9. Real Estate.	6.2	5.7	5.0
10. Social And Public Services.	10.6	19.3	21.0
TOTAL	100	100	100

SOURCE: Bahrain Monetary Agency(1991b)p26. and Central Statistics Organisation (1993)p566.

5.6.3 The Third Stage: 1980-

The past decade or so saw Bahrain's transformation from an economy dependent on the primary sector for revenue and employment, to a modern industrial economy and service centre (see Table 5.6). The changes were based on and clearly programmed in the light of a Strategic Choices Committee's (SCC) recommendations that was formed by the government in 1982. Various policy decisions to improve the economy's performance were adopted and can be classified into two categories. The first is short-term measures to revive the economy from the 1986 recession which was caused by the sharp decline in the prices of oil . The second, is a long term institutional change which will place the economy on a path for stable growth (Bahrain Monetary Agency, 1991a). Many

measures were taken by the government to meet both the short as well as the long term objectives of the development plans.

The short-term measures were basically incentives offered to businesses. These measures were concerned with reducing the cost of enterprises and restoring the confidence of the business and banking community in the economy of the country. They include the lowering of telecommunication costs, reducing municipality fees, cutting employers and workers contributions towards social and accident insurance, the abolition of re-export fees, the reduction of interest rates and easing expatriates employment regulations.

On the other hand, the long-term recommendations by the SCC have called for the diversification of the economy and the shift from oil to the development of the existing industrial base (e.g. aluminium and refinery), to new large scale joint ventures (e.g. tyres), inter-industry products, selected consumer products and the enhancement of the role of the financial sector. The transformation of the economy away from reliance on oil is evident from the drop of the oil share in the country's GNP from 36% in 1975 to 14% by the mid 1980's, whereas the contribution of the financial sector to the GNP increases from 3% to 15.4%.

5.7 The Financial Sector

The history of modern financial institutions' presence in Bahrain dates from 1920 when the first banks were established (Presley and Wilson, 1991). In addition to its

historical background Bahrain's pre-eminence as the Middle Eastern international financial centre has been enhanced by other factors. Firstly, its geographical location halfway between East and West time zones, in the middle of a rich region with substantial surplus of funds and a demand for financial services and its harbour facilities. Secondly, its advanced and efficient communication system. Thirdly, a well-qualified labour force. Fourth, a supportive legal-administrative environment that allows free movement of capital and encourages foreign investment. Fifth, Bahrain is a tax haven where no personal, corporate or withholding taxes exist. Finally, a promising stock market that has been growing fast in recent years with an objective to meet international standard by 1997. It is the ambition of Bahrain to replace Hong Kong as an international regional stock market.

The constitution of the Bahrain Monetary Agency (BMA) in 1973 marked the beginning of a new era in the financial sector in general and in banking in particular. The BMA serves as a central bank of the country with the authority to supervise financial firms. The BMA, immediately after its inception, realised the region's need for financial institutions of international standing to cater for the huge amounts of oil revenue surplus. Thus, it invited international banks and finance groups to open offices on the Island. Various forms of financial companies were attracted by the supportive environment and at the end of December 1992 the financial firms in Bahrain were:

1. 18 Full Commercial Banks.
2. 5 Money and Foreign Exchange Brokers.
3. 2 Specialised Banks.
4. 22 Money Changers.

5. 49 Offshore Banking Units.
6. 9 Bahraini Insurance Companies.
7. 21 Investment Banks.
8. 12 Foreign Insurance Companies.
9. 46 Representative Offices.
10. 42 Exempt Insurance Companies trading offshore.

In terms of market shares, the OBU's are first with 21.6%, second are the Representative Offices with 20.7%, third the Exempt Insurance Companies with 18.5%, fourth the Investment Banks with 9.3% and the Full Commercial Banks with 7.9% (for a detailed account, see Euromoney, 1992 and Bahrain Monetary Agency, 1992).

However, in respect of employment in the financial sector, more than 8% of the working population are employed by this sector. Full commercial Banks in Bahrain have been chosen to be the focus of this study, thus the next subsection is devoted to casting some light on their activities.

5.7.1 Full Commercial Banks

At the end of 1992, 18 full commercial banks were operating in Bahrain. Six of these are national banks and the rest are branches of foreign banks. However, in the chronicle of banking in Bahrain, foreign banks come first. In fact the first bank ever to open in the Arab Gulf region, was in Bahrain in 1920 and the second started its services in 1944, and both were British banks. On the other hand, the first national bank was established in 1957.

The growth of the banking sector in terms of number of institutions and financial dealings was conditioned not only by the development in the local economy but also by the region's economical circumstances. Hence, remarkable development and expansion have accompanied the sudden and sharp augmentation in the region's wealth in the 1970's. The number of institutions jumped from 4 in 1960 to 17 at the end of 1979 and the total assets and liabilities of the commercial banks sprang from less than BD 100 million in 1971 to more than BD 700 million at the end of 1983. By the end of June 1992 the aggregate assets and liabilities rose to BD 2.6, billion (Bahrain Monetary Agency, 1992).

The native banks took the lions share of the increasing activities and their proportion of the total assets climbed from 65% in 1986 to over 75% at the end of 1991 (Bahrain Monetary Agency, 1991). Two factors have contributed to the success of national banks success. The first, is the government support for local banks and secondly, is the emphasis on social contact to gain customers and business. Presley and Wilson (1991) have stated that competition in the banking sector in Bahrain is to a great extent bounded by social forces rather than market forces and stress that:

"The emphasis is on personal contacts and on developing relationships. New clients increasingly tend to be the sons of existing clients, as family and kinship, rather than market forces determining banking allegiance. Loans are usually unsecured, great reliance being put on the "good" names of the client".(pp .72,74).

The commercial banks have played a significant role in financing the various economic sectors in Bahrain in the forms of trading credit guarantees and lending. Table

5.7 represents commercial banks lending to the various economical sectors in Bahrain in June 1991 and June 1992.

In terms of profitability, the banks had enjoyed high profit earning until 1984 when it reached its peak of BD 31.7 million, a 21.2% return on their capital. However, the 1988 annual performance result reached a record low of BD 599 million, a 4% return on the capital. This instability in the banking sector during the 1980's was not confined only to Bahrain but was felt all over the Arab world. Findlay (1994: 187) points to several factors that he believes have contributed to this situation:

"The position more than a decade later (1980-1990) is very different and much more complex following the catastrophic crash of the Kuwait stock market, the severe shrinkage of investors of the world debt crisis, the continued conflict in Lebanon, the evolution of the world banking system during the extended years of world recession, the shakeout following the collapse of the BCCI, the increased strength and challenge of Islamic banking and last but not least, the financial implications for the Arab banking community of the Gulf War".

Table 5.7 Banks Lending by Economic Sectors (percentages)

SECTORS:	JUNE 1991	JUNE 1992
Manufacturing	20.5	20.5
Mining and Quarrying	4.7	4.4
Agriculture	0.1	0.2
Construction	15.2	13.7
Trade	20.0	19.5
Transport	7.0	3.9
Government	3.0	1.8
Personal	23.5	30.3
Others	6.0	5.1
TOTAL	100.0	100.0

SOURCE: Bahrain Monetary Agency, (1992)2.p13.

In 1989, net profit improved substantially to reach BD 17.955, a 12% yield on capital. This situation reflects on the banks ability's to employ more people.

Employment in the commercial banking sector had witnessed general rises during the first half of the 1980s. This was reversed from 1986 onwards. The number of bank's employees had gone up by 260 to 2,147 over the four year period 1981-1985, declined by 112 in the next three years to 2,035 in 1988. This fall, despite the growth of activities, reflects a reorganisation of the employment pattern in the face of pressure on profitability. The Bahrainis percentage among the banks work force had risen steadily to 86.4% in 1985, yet the ratio had dropped marginally to 85.6% by 1987, then recovered to 86.5 percent in 1989 (BMA, 1991b).

5.8 The Socio-cultural Context

The great majority of Bahrain's population are Muslims (i.e. 84%) and more than 90% of the nationals are Arab Muslims. Consequently, it can be argued that the Bahraini society, like the rest of the Arab societies, is deeply influenced by the teachings of Islam as well as by the centuries old Arab traditions. This combination of religion and nationality is a form of identity for the majority of Bahrainis. Both elements have contributed to the structure of the social value system of the country and played a fundamental role in maintaining its intimate social relationships over the years.

In the Arab society personal social relationships are widespread and important in all dealings whether business or otherwise. Belonging to a social group, family, tribe or

social class is an essential aspect of Arab culture. Hence, the emphases are on who a person is rather than to what he is capable of doing, on whom one knows rather than what he/she knows; and on who is affected by particular events rather than what the events are.

The implications of the Arab socio-cultural environment for organisational behaviour has been examined by researchers (e.g. Muna, 1980; Al-Faleh, 1987; Abuznaid, 1990). Their findings have indicated that the social values and institutions have shaped the attitudes, styles, approaches and behaviour of Arab executives in many respects. They were forced to play a dual role as members of their organisations as well as members of their groups of reference (see Chapter 4 for more details). Therefore, it is important in this section to cast some light on the social structure and the basic social values of Bahrain.

5.8.1 The Social Structure

Bahrain, although seen to be less restrictive than its neighbouring Arab Gulf states, shares with them most of their general social value systems and societal structures.

According to Nydell (1987) Bahrain could be divided into three social classes. The upper class which includes the royal family, influential families and some rich people depending on their background. Senior public servants, military officers, teachers, merchants and landlords make up the middle class. The lower class includes peasants and the urban and village poor.

Political and economical power is held by the upper class. Notwithstanding, the middle class is expanding due to vast educational opportunities and emerging professional chances in the non-traditional economical sectors (e.g. banking and hotel and catering industries).

5.8.2 Basic socio-cultural values

The most salient values that guide Arabs' behaviour and influence their personalities were identified by social scientists and writers (e.g. Patai, 1973; Sharabi, 1983; Nydell, 1987). Nydell (1987: 17-18) summarises the basic social values of the Arabs under three categories:

I. Basic Arab Values

- I. A person's dignity, honour and reputation are of paramount importance and no effort should be spared to protect them.
- II. It is important to behave at all times in a way which will create a good impression on others.
- III. Loyalty to one's family takes precedence over personal needs.
- IV. Social class and family background are the major determining factors of personal status, followed by individual character and achievement.

II. Basic Arab Religious Attitudes

- I. Everyone believes in God, acknowledges His power and has a religious affiliation.
- II. Humans cannot control all events; some things depend on God (i.e. "fate").
- III. Piety is one of the most admirable characteristics in a person.

IV. There should be no separation between "church and state"; religion should be taught in schools and promoted by governments.

V. Religious tenets should not be subjected to "liberal" interpretations or modifications which can threaten established beliefs and practices.

III. Basic Arab Self-perceptions

I. Arabs are generous, humanitarian, polite and loyal and they see these traits as characteristics of themselves and as distinguishing them from other groups.

II. Arabs have a rich cultural heritage. This is illustrated by their contribution to religion, philosophy, literature, medicine, architecture, art, mathematics and natural sciences.

III. Although there are many differences among Arab countries, the Arabs are a clearly-defined cultured group, members of the "Arab Nation".

IV. Indiscriminate imitation of Western culture, by weakening traditional family ties and social and religious values, will have a corrupting influence on Arab society.

V. Arabs are misunderstood and wrongly characterised by most Westerners.

5.9 Summary

In this chapter an overall description of the Bahraini context was presented. It starts with a discussion of Bahrain's geography and history then some demographical characteristics of the population were presented. Other aspects that are thought to be related to this research such as the educational system, the labour force composition, the country's economy with special emphasis on the financial sector, and the socio-cultural context were examined in some detail. The main purpose of the chapter was to acquaint the readers with some basic concepts which hopefully will assist their understanding of the findings of this study.

What is of direct relation to this study from the content of this chapter are the country's stage of development and the social value system that prevails in Bahrain. In other words in what ways do these two elements influence management development practices?

Chapter Six

RESEARCH METHODOLOGY

6.1 Introduction

This chapter aims to give a detailed account of the procedures, methods and techniques used in this study. Hence, the objectives of the research will be discussed first. Secondly, the nature, the basic foundations and the main types of research design are presented. Thirdly, research methods that are available to social scientists along with their advantages and disadvantages are outlined. Fourth, the strategy chosen for this investigation is described in detail and the reasons for this choice are justified. Fifth, the fieldwork phase of conducting this study and the stages it has gone through are clarified. Sixth, the main features of both the organisations and the individual managers sampled are briefly highlighted. Finally the constraints and the limitations of this research are discussed.

6.2 The objective of the study

A review of the relevant literature in the previous chapters, especially in Chapter Four, indicates that there has been very little research conducted and little attention devoted to management development research in the private sector in the Arab World and Bahrain is no exception. Hence, this study aims to examine and explore the prevailing patterns of management development in Bahrain and to identify the influences of some

socio-cultural variables on the process of management development. The focus of this research is on the practices of five commercial banks. To fulfil the objectives of this investigation answers to four central questions are sought. These questions are:-

1. How do the banks approach human resource planning?
2. How do these institutions plan the careers of their managers?
3. How is management training administered in the five organisations?
4. What are the environmental variables that influence these activities?

These questions represent the prime aims of this investigation. However, more specific issues are considered under each of these objectives.

The first question is concerned with the practices of human resources planning. Thus, the following aspects are probed:

- i. the existence of systematic schemes that are adhered to by the organisations in forecasting and programming their employment needs,
- ii. the length of such plans and the organisational levels they cover,
- iii. the application of job analysis (i.e. job description and job specification),
- iv. what are the factors that help or hinder these activities?

The second question is concerned with managerial career planning and aims to explore the official "organisational" views as well as the individual manager's perception about the actual practices in relation to:

- i. managerial recruitment and selection;
- ii. managerial performance appraisal;
- iii. managerial potential assessment; and,

iv. managerial succession and promotion planning.

The third question aims to explore the actual situation of management training in the Bahrain banking section at it is seen from two different points of view, i.e. the official perspectives and the individual manager's perceptions. In this respect the following activities are investigated:

- i. the existence of defined training policies;
- ii. the main objectives of the policies;
- iii. the methods of training needs assessment;
- iv. the criteria used in selecting participants;
- v. the methods of training provided; and,
- vi. the form of training evaluation used.

The final question is concerned with the environmental influences on the process of management development and the elements examined are:

- i. the implication of the prevailing socio-cultural factors (i.e. personal and social ties) on the selection, performance appraisal, potential assessment, promotion and training and development of managers;
- ii. the reflection of the country's stage of development on these processes (i.e. the economic, political, educational and legal-administrative systems).

Further aims of this study are:

- i. to compare the practices of the national institutions with those of foreign organisations and to identify the differences, if any; and,
- ii. to contrast the findings of this research with the related literature and similar previous studies.

Having briefly discussed the objectives of this research, next follows the concept of research design and it is discussed together with the approach chosen for this study which is explained below.

6.3 The Nature of Research Design

Research design is a fundamental element in scientific investigation in the fields of both pure and social sciences. It is a technical component in research that should be determined, defined and clarified before the commencement of the actual research. It is a guideline or a "blueprint" that leads to effective accomplishment of a research objectives within the practical constraints of the resources available (Hakim, 1987). A variety of research designs are available to social scientists. However, regardless of the research model chosen, all research has a primary purpose in common, i.e. to expand human knowledge and understanding (Black, 1993).

6.3.1 What is Research Design?

Research design is a basic operational step in conducting scientific investigations that precedes the actual start of collecting the required data. It is the overall strategy that includes total planning for the investigation(Nachmias and Nachmias, 1992). It must address the question or questions being researched and meet the objectives of the study concerned (Sanders and Pinhey, 1983; Oppenheim, 1992).

Various definitions are provided for this term in the related literature, some are broad, others are narrow. Nevertheless, almost all these notions centre around the fact that research design is a guideline for researchers and a framework for researching. To facilitate this, a few examples are quoted for the sake of clarification. Nachmias and Nachmias (1992) believe that *"a research design is the program that guides the investigator in the process of collecting, analysing, and interpreting observations"* (p.97). Bryman (1989) defines it as *"the overall structure and orientation of an investigation. This structure provides a framework within which data are collected and analysed"* (p.28). Easterby-Smith; Thorpe and Lowe (1991) argue that a research design is more than simply the process of collecting and analysing data. *"It is the overall configuration of a piece of research: what kind of evidence is gathered from where, and how such evidence is interpreted in order to provide good answers to the basic research question"* (p.21).

A more general definition is offered by Oppenheim(1992:6). which emphasises that *"the term research design refers to the basic plan or strategy of research, and the logic behind it, which will make it possible and valid to draw more general conclusions from it"*.

6.3.2 Basic Foundations

Within the philosophy of science "epistemology" there is a long-lasting debate about what determines the most appropriate methodology (research design). This debate is concerned with the relationship between theory and research. Two main philosophical

streams (*positivism and phenomenology*) have contributed to the development of research design in social sciences.

It should be clear that these classifications are essentially based on pure philosophical persuasions but neither has been adopted consistently even by extremists (Easterby-Smith, Thorpe and Lowe, 1991). Figure 6.1 outlines the main features of both paradigms.

Traditionally a wide gulf has existed between the two extremes in regard to their preference of methodical design. The positivists have favoured quantitative strategies, whereas the phenomenologists have inclined more towards qualitative approaches (Brannen, 1992). Notwithstanding, there has been a growing interest in combining these methods into a real life investigation. In the field of management many researchers have adopted a pragmatic view by deliberately integrating the two methods to capitalise on their advantages and avoid their limitations (Bryman, 1992b). Hammersley(1992) argues further that the distinction between the quantitative and the qualitative models is of limited use and could be dangerous "the distinction is misleading because it obscures the breadth of issues and arguments involved in the methodology of social research".(p.39).

Figure 6.1 Key Feature of Positivist and Phenomenological Paradigms

Positivist Paradigm	Phenomenological Paradigm
Basic beliefs: -The world is external and objective. -Observer is independent. -Science is value-free.	-The world is socially constructed and subjective. -Observer is part of what observed. -Science is driven by human interest.
Researcher should: -focus on facts, -look for causality and fundamental laws, -reduce phenomena to simplest elements, -formulate hypotheses and then test them.	-focus on meanings, -try to understand what is happening, -look at the totality of each situation, -develop ideas through induction from data.
Preferred methods include -operationalising concepts so that they can be measured; -taking large samples.	-using multiple methods to establish different views of phenomena; -small samples investigated in depth or over time

Source: Easterby-Smith, Mark; Thorpe, R. and Lowe, A.(1991:27)

6.3.3 Key Choices of Research Design

Having explained the notion of research design and discussed its philosophical foundations, now it seems appropriate to briefly identify, analyse and evaluate the main types of research design that are found to be used more frequently in organisational and management research. The literature has revealed many potential choices for researchers in regard to research design. However, five chief research designs in organisational research have been identified (Bryman, 1992a). These are experimental, design, survey, qualitative research, case study and action research designs. But despite all this variety of research designs, it should be clear that there is no perfect choice. Yet, the choice of a

particular research design should be judged in relation to the nature of the subject being researched and the questions being addressed.

Experimental Design

In this classical research design two comparable groups are assigned to an experiment and their members must be selected and allocated randomly. Despite the fact that this type of research design has internal validity as its major strength, its weakness lies with its external validity i.e. the generalisability of its outcomes. (Nachmias and Nachmias, 1992). There can be little doubt that this design has played a major role in earlier studies of some social and organisational phenomena, but, because of its rigidity and confinement to laboratories, the quasi-experiment design has emerged. The quasi-experiment design is similar to the first one apart from the fact that researchers draw their samples through less restrictive procedures and from a real world setting. Nonetheless, the advantages and disadvantages are reversed when the two are compared.

Survey Design

Survey research is one of the most frequently employed approaches in social sciences research. It involves data-collection from a sample of respondents who represent a certain population. Usually it intends to gather information at a single point in time using a standardised method, i.e. questionnaires and interviews (Sanders and Pinhey, 1983). Robson (1993) supports the notion that the survey is a research design rather than

a method or a technique for data collection. He further maintains that the main features of a survey strategy are:

the collection of a small amount of data in standardised form from a relatively large number of individuals; and the selection of samples of individuals (p.124).

When using this approach investigators assume that the sample members are well acquainted with the phenomena under examination and seek to elicit related information from the subjects of the sample.

It has been established earlier that each model has its strong as well as weak points, and this one is no exception. The main advantages and disadvantages of the survey design are presented in figure 6.2 below.

Figure 6.2 The main advantages and disadvantages of surveys

Advantages:	Disadvantages:
a- They provide a relatively simple and straightforward approach to study of attitudes, values, beliefs and motives.	a- Data are affected by the characteristics of the respondents (e.g. their memory; knowledge; experience; motivation; and personality).
b- They may be adopted to collect generalizable information from almost any human population.	b- Respondents won't necessarily report their beliefs, attitudes, etc. accurately (there is likely to be a social desirability response bias-people responding in a way that show them in a good light).
c- Highly structured surveys have high amount of data standarization.	

Source: Robson, C. (1993 :128)

Qualitative Design

In this section qualitative research is used in a sense that refers to a specific research design and not to the non-positivistic philosophy discussed earlier (see 6.3.2) nor to non-qualitative methods such as observations. The qualitative design is concerned with individual interpretations of their surroundings (Hakim, 1987, and Bryman, 1992b). Hakim (1987:26) sustains that this strategy of research "offers richly descriptive reports of individuals' perceptions, attitudes, beliefs, views and feelings, the meanings and interpretation given to events and things, as well as their behaviour; displays how these are put together, more or less coherently and consciously, into frameworks which make sense of their experiences".

In organisational studies the emphasis tends to be on understanding what is going on in organisations in participants' own terms rather than those of the researchers (Bryman, 1992a). The main weakness of this design is the lack of representativeness as a result of the small sample. However it has its own strengths such as the validity of the data obtained and its suitability for the study of motivation and other connections between factors.

Action Research

This approach refers to a methodology where the real project or research is carried out in the actual situation and outcomes are analysed and evaluated and then fed back into the process in a continuous manner. Bryman (1992a) defines action research as

"an approach to applied social research in which the action researcher and a client collaborate in the development of a diagnosis of and solution for a problem, whereby the ensuing findings will contribute to the stock of knowledge in a particular empirical domain". (p. 178).

Moore (1983) lists the advantages of action research and maintains that it is real, concrete and can be seen by everyone. It invites various people to participate in the process and may eventually lead to their support and acceptance. With successful action research projects the interviewing stage required in other types of research can be avoided and there is good chance of transition from research to practice.

There is, however, a drawback for making the process known to everyone. The publicity may jeopardise the reputation of the concerned organisation. Other elements that affect this design are both ethical and political. The ethical dimension is exemplified in excluding some groups of the employees from the research and upholding some of the results whilst the political variable is seen through the management's disapproval of the findings and restriction of implementing them. (Bryman, 1992a).

Case Study

The case is basically an in-depth investigation of one or more units of analysis (e.g. person, group or organisation) (Zonabend, 1992). Originally, this model of research has its roots in clinical psychology and medicine. However, in sociology this approach is adopted to establish an understanding of a sociological phenomena based on a case (Hamel, Dufour and Fortin, 1993). In respect to management and organisational studies,

the case study approach is gaining an increasing support, after a period of decline (see, for example, Smith, 1989 and Bryman, 1992a).

This research design is not distinctive from the above research designs in any sense but rather an additional alternative. It has its strengths as well as its drawbacks and adopting it heavily relies on the context of the study. It has four main advantages. Firstly, the depth of investigations which accompany it provide detailed insight into the phenomena researched. Secondly, it allows the examination of more than one case at the same time and investigator are able to compare and contrast these units of analysis. Thirdly, it permits the application of both qualitative and quantitative data in analysing the issues under investigation. Fourth, it is suitable in domains where little or no previous research has been conducted. In this regard it is believed that *"case study work is normally used to study new fields and to generate insights for more rigorous and systematic investigation and more carefully controlled research"* (Huczyniski and Buchanan, 1991: 30). Yet, it would be unwise to overlook the weaknesses of the case study method. Basically it has two faults for two drawbacks. Hamel, Dufour and Fortin (1992) point out that the most conspicuous disadvantages of the case are:

- i. its lack of representativeness, and especially the lack of representativeness of the case used as a point of observation for the social phenomena or issue consisting of the object of study; and
- ii. its lack of rigour in the collection, construction, and analysis of the empirical materials that give rise to this study. This lack of rigour is linked to the problem of bias. Such bias introduced by the subjectivity of the researcher, as well as of the field information whom the researcher relies on to get an understanding of the case under investigation (p.23).

6.4 Research Methods

The previous section is concerned with research strategies which enable researchers to draw their plans for carrying out a piece of scientific research. However, in this section the focus will be on research methods. Research methods have been defined as the methods used for data generation and collection (Oppenheim, 1992). Data can be gathered by interview questionnaires, observation and archival records. The first two are briefly discussed below because these are the two main methods used in data collection for this study.

6.4.1 Interview

An interview is a conversation that is initiated by a researcher with an intention to obtain research - relevant data and directed by him towards specific issues that are related to the objectives of the study (Cohen and Manion, 1989). In this process the interviewer (researcher) asks questions and records the answers given by the interviewee (respondent) usually a tape recorder or taking notes if the interviewee refused to record the interview.

There are two types of interviews, standardised or structured interviews and in-depth or semi-structured interviews. Where pre-determined questions are asked, and the responses are recorded on a standardised schedule, the interview then will be labelled structured interview. However, if the interviewer has prepared a set of questions in advance, which can be freely modified upon the outcomes or responses of the

interviewee, then the interview will be called a semi-structured interview. Although the unstructured or free interview is an other possibility, it is not appropriate, at least, within the context of this research.

In general there are advantages and disadvantages of the interview method in comparison with other techniques. Among the advantages of the interview appear to be the following:

- i. it allows the respondents to express themselves with great freedom and richness;
- ii. it secures a high response rate;
- iii. it allows the interviewers to explain the purpose of the study more convincingly, to clarify any problems that may arise to avoid any misunderstanding of the questions or the concepts used therein; and
- iv. it is a flexible method that allows the interviewer to adjust and modify the questions to suit the situation. In other words the interview offers the possibility of probing for more information in areas of interest to the researcher that emerge from the interviewee's responses to the questions (e.g. Oppenheim, 1992 ; Robson, 1993).

The disadvantages of using interviews are to some extent a reflection of their advantages. However, the main problem that associates with the interview method is the high cost of conducting interviews especially if the population covered is dispersed geographically. Interviewing is a time and resources consuming exercise starting at the preparation stage all the way to the conclusion of the process. This method also, requires skilful and well trained individuals to do it.

6.4.2 Questionnaire

This method is similar to the interview in the sense that both take the form of asking questions. Nonetheless, the questionnaire does not involve a direct contact between the researcher and his/her research subject. It is widely used in social research and possibly more than any other method of data collection. Questionnaires are employed in situations where it is practically impossible for a researcher to reach the members of the sample and where the number of the sample is relatively large. Therefore, questionnaires usually take a free-response (open-ended) or fixed-alternative (closed-ended) format.

Each of the above categories has its strengths as well as weaknesses. The open-ended form allows the respondent to express him-herself more freely but is expensive and difficult in relation to coding the answers provided by the respondents. The responses in most of the cases are "self-contradictory, incomprehensible, or irrelevant, and a major proportion of them usually defy all efforts at meaningful categorisation". (Judd, Smith and Kidder, 1991:239).

On the other hand, the closed-ended questionnaires are easily coded to produce meaningful results for analysis and the alternative answers provided may facilitate the respondents' understanding of the questions and to help their memory.

The questionnaire like the rest of data collection techniques has its own advantages and disadvantages. Oppenheim (1992) summarises the main advantages and

disadvantages of the questionnaire method in comparison to the interview method. The main advantages are:

- i. low cost of data collection;
- ii. low cost of process;
- iii. avoidance of interviewer bias;
- iv. ability to reach respondents who live at widely dispersed addresses or abroad.

The main disadvantages are:

- i. generally low response rates, and consequent bias;
- ii. unsuitability for respondents of poor literacy, for the visually handicapped, the very old or for children below the age of, say, ten; often unsuitable for people with language difficulties;
- iii. no opportunity to correct misunderstanding or to probe, or to offer explanation of help;
- iv. no control over the order in which questions are answered, no check on incomplete responses, incomplete questionnaires or the passing on of questionnaires to others;
- v. no opportunity to collect rating or assessment based on observation (p.102).

6.5 The Strategy Adopted for this Study

After reviewing research designs and methods along with their merits and drawbacks above, the purpose of this section is mainly to explain and defend the strategy selected as well as the tools employed in collecting the required data for this research . According to Hakim (1987) the choice of a certain methodology must be linked to the subject under examination, and the objectives being pursued within the practical constraints of location, time and cost.

Consequently several factors should be taken into consideration when deciding on the appropriateness of a research methodology. Firstly, the objective of the research and the questions it intends to answer must be born in mind (Robson, 1993). Secondly, the subject under investigation may restrict the methodological option and its suitability. (Easterby-Smith, Thorpe and Lowe, 1991). Thirdly, the political orientation and conflicting interests at the organisational level may constrain the accessibility to some information, and thus affect the choices available to researchers. This is what has been referred to as "the politics of research" by many writers (e.g. Devereux and Hoddinott, 1992; Bryman, 1988 and Buchanan, Boddy and McCalman, 1988). Fourth, what is more important in this research, is the constraints that are imposed by the overall environment. For instance, Devereux and Hoddinott (1992) believe that fieldwork in the Developing World should be conducted with extra care due to the fact that many contextual elements may be involved and restrain the accesses to data. They further argue that 'Contextual' and 'methodological' considerations should be considered jointly not as two distinct categories in which the first obstructs the pursuit of the second" (p. xi).

Taking into account these variables as well as the above discussions of the various research designs and methods prescribed in the literature for social sciences research, the case study seems to be the best option to meet both the requirements and the particularities of this study. The case study is deemed to be a flexible and a multi-purpose research design in nature. It enables researchers to combine qualitative and quantitative methods in collecting and analysing their data. Hence, two methods are used to collect the data in this study (i.e. interviews and questionnaires).

The choice of this approach, i.e. the case study and these tools, i.e. the interview and questionnaire is closely tied with the purpose of this research. The practices of management development in Bahrain being the central subject investigated are explored from two different points of view. The first is the organisational or the official perspective which is assessed by interviewing personnel or human resources specialists. The second is the individual manager's perception which is gathered by questionnaires that are intended for managers from the various organisational levels. Both the interviews and the questionnaires focus on areas which are related to management develop practices within the overall context of Bahrain with special emphasis on the influence of the prevailing socio-culture on some aspects of management development.

6.5.1 The Interview

A semi-structured interview is used to elicit the official views on the practices of overall human resources planning, managerial career planning and management training within the surveyed organisations. Senior executives (human resources specialists) were interviewed from each firm. The questions contained in the interview have been developed by the researcher with the assistance of previous studies in and writings on management development (e.g. Ashton; Easterby-Smith and Irvine, 1975; Easterby-Smith; Braiden and Ashton, 1980; Alam, 1981; Atturki, 1985; Papalexanderis, 1986 and Dakhil, 1988). The interview guide consists of three main parts: (a) general information on the organisation, (b) human and managerial resource planning, (c) management training and development activities (see Appendix I). The time required for completing

the interview was estimated to range between 50-70 minutes. Therefore the potential interviewees were asked to determine the most convenient time for conducting the interview. Three interviews were carried out after working hours in the offices of the executives concerned and the other two were accomplished during working time.

6.5.2 The Questionnaire

This instrument intends to obtain the individual managers' perceptions about the practices of management development in their organisations and how much influence they believe that the socio-culture has on these practices.

The questionnaire is a modified version of a questionnaire developed and used by Easterby-Smith and his colleagues to audit management development practices in five firms in Britain (Easterby-Smith, Braiden and Ashton, 1980). The main alterations introduced to the original instrument are questions that are intended to measure the socio-cultural influences on management development processes. These are items 12 and 13 in Section I, item 13 in Section II and items 6, 11, 13 and 17 in Section III (see Appendix II).

The questionnaire consists of four sections. The first is concerned with management training and development activities. The second covers managerial performance appraisal. The third relates to managerial resource planning and the last sections embraces some personal and job-related information on the respondents.

The questions used in this instrument are closed-ended type of questions with three alternative answers provided (viz. True, Do not know, and False). This type of question is used because it is deemed to be efficient and specific in measuring attitudes and simple and direct in its completion (Robson, 1993). However, a blank space is provided at the end of each section for any further comments.

Prior to the actual administration, the instrument was translated into Arabic, the native language of the majority of the intended population. The translation process was accomplished with the professional help from the Department of Arabic studies at the University of Glasgow and further checked by a bilingual expert. Furthermore, both the Arabic and the English readings were distributed to post-graduate students to assess its clearness and the time required to answer it. Modifications were made and the final draft of the questionnaire was developed. The final instrument takes a bilingual form with English and Arabic readings appearing side by side (see Appendix 2). This was done because the managers in the Bahraini banking sector are either Arabic speakers or foreigners who are proficient in English, and to avoid unnecessary extra and time consuming approaches to sort out the language ability of the participant. The estimated time for answering all the questions is 20-25 minutes.

6.6 In the Field

With regard to all that has been explained in the preceding chapters and earlier in this chapter, it is evident that the study intends to explore and examine the practices of

management development in the Bahraini banking sector. Thus the sample must be drawn from the Bahraini banks and managers from these organisations who are willing to participate in this study. The choice has been the full commercial banks in respect to organisations. The individual respondents represent managers who work for the participating banks and are drawn randomly from three managerial levels (i.e. senior, middle, and junior). The term "manager" is used here in its broad denotation and supervisors are classified under junior managerial grade. However, top managers are excluded from the sample because they were approached to explain the philosophy of management development adopted in their organisation and because they appear unwilling to participate in the survey part of this study.

6.6.1 The Primary Stage

Due to difficulties which have resulted from the late Gulf crisis, i.e. the Iraqi invasion of Kuwait, both the researcher who is a Kuwaiti and his supervisor believed that it was not wise to conduct the study in Kuwait. Therefore Bahrain was considered to be the alternative choice to carry out this research. Given that, the researcher embarked in the summer of 1991 bound for Bahrain seeking permission to gather the needed data from the banking sector. The first step was to establish personal contact and acquaintance with influential individuals and officials within the financial sector to assess the progress of the research. In the Arab culture personal and social contacts seem to be more effective in gaining access to organisations and getting things done (Muna, 1980 and Al-Faleh, 1987). On that account, a member of the royal family and at the same time a top

executive at Bahrain Monetary Agency (BMA) was targeted also with the help of a friend who is known to him. Sheikh Ahmed Al-Khalifa, the executive director of banking operations at the BMA, is the person involved as patron for this study in Bahrain. He gave the researcher the approval to conduct the study within the banking section in Bahrain and the promise to assist in obtaining the acceptance and co-operation of the banks concerned.

At this stage the researcher collected some secondary data pertaining to the structure of the financial sector in the country such as the number of institutions, the basic activities, sizes and type of ownership. A directory of financial institutions which is published by the BMA was obtained. This directory contains the names, PO Box, addresses and telephone numbers of the 205 financial institutions operating in Bahrain at the end of December 1991. These firms are categorised as follows:

- 18 full commercial banks;
- 2 specialised banks;
- 49 off-shore banking units;
- 21 investment banks;
- 46 representative offices;
- 4 foreign exchange and money brokers;
- 22 money changers;
- 9 Bahraini insurance companies;
- 42 exempt insurance companies trading off-shore.

Further documents and official publications were obtained during this visit from various institutions and agencies. The main aim was to acquaint the researcher with the

overall situation of Bahrain and to assist him in deciding on a suitable sample for the study. In particular the publication of the following institutions were acquired:

A- Central Statistics Organisation.

B- Ministry of Labour especially Labour Law No. 23 of 1976d.

C- Bahrain Centre for Studies and Research.

D- College of Business Administration at the University of Bahrain.

E- Bahrain Institute of Banking and Finance.

6.6.2 The Middle Stage

This stage extended from September 1991 to October of 1992. During this period all the documents gathered in the first stage were examined and the review of management development literature continued and the tools of data collection were developed. The purpose here was to evaluate the situation and to select a suitable sample for the present research. Taking into account the features of the Bahraini financial sector and the objectives of the study and the methodology chosen for it, the full commercial banks were preferred as a population for the study. This group of financial organisations are well established in Bahrain and banks from different backgrounds and features are represented (see Table 6.1).

Table 6.1 Some Features of the Bahraini Commercial Banks as in December 1992

Banks	Nationality	Year of establishment	Cap. (000) BD	Number of Branches
Standard Chartered Bank	British	1920	6,743	5
British Bank of Middle East	British	1944	3,000	3
National Bank of Bahrain	Bahraini	1957	32,000	32
Arab Bank Limited	Jordanian	1960	725	4
Citibank	American	1969	3,032	1
Habib Bank Limited	Pakistani	1969	500	3
United Bank Limited	Pakistani	1969	2,300	3
Bank Melli Iran	Iranian	1971	3,000	2
Bank of Bahrain and Kuwait	Bahraini	1972	56,906	22
Banquet Due Cairo	Egyptian	1972	500	1
Grindlays Bahrain Bank	Australian	1973	4,000	3
Bank Saderat Iran	Iranian	1974	791	1
Algemene Bank Nederland	Dutch	1975	1,500	1
Banque Paribas	French	1975	500	1
Al-Ahli Commercial Bank	Bahraini	1978	8,000	4
Bahrain Islamic Bank	Bahraini	1979	5,750	5
Bahrain Saudi Bank	Bahraini	1984	20,000	1
Bahrain Development Bank	Bahraini	1992	10,000	1

Source: Directorate of Statistics. 1993, Statistical Abstract p.442.

The group of commercial banks were further screened to determine the sample which met the objectives of the study. The screening process was carried out within the limits of some criteria. The first was that organisations that employ less than 100 people or have less than two branches were excluded. This is because it is believed that smaller organisations might not be able to endure the expenses associated with management development activities in terms of both financial and human resources. The second is that the long-established institutions were given priority to participate in the study. The

organisations were classified chronologically according to Table 6.1 then the oldest were approached. The third was that the sample is confined to Bahraini and Western banks only. This was to allow the research to concentrate on comparing and contrasting the practices of these two categories of organisations.

Only eight institutions succeeded in meeting these principles and they were equally divided between Bahraini and Western banks, i.e. four are national banks and four are Western.

6.6.3 The Final Stage

This stage represents the actual data collection phase which was accomplished over a period of three months, i.e. October-December of 1992.

On the arrival of the researcher at Bahrain the backer, "the godfather", of this research was contacted and an appointment for a meeting with him was set. At the meeting the researcher explained the significance of the study for the Bahraini financial sector, its objectives and the methods to be used in gathering the data. Sheikh Ahmad showed a lot of interest in the study and the contents of both the questionnaire and the interviewer's guide. He retained a copy of the questionnaire and asked for a copy of the completed dissertations. He further confirmed his backing for the study and suggested that the researcher should personally contact the concerned firms' top managers and ask for permission to conduct his research. However he promised to help if the researcher was denied access to any of these banks.

The next step was to establish personnel connection within the eight firms. Thus, the offices of the general managers of these organisations were telephoned to fix appointments to see them. Most of them, after realising the interest of the researcher, advised him to see personnel or human resources specialists. However, one foreign bank declined to participate in the study. One national bank agreed to the interview but failed to persuade its individual managers to complete the questionnaires and another western bank although agreed to participate procrastinated when it came to the interview. Due to time limitation these three organisations were dropped from the sample. The result was that five organisations are covered by the study. The Bahraini banks are designated by the letter "N" whereas the western institutions are labelled by the letter "F". These coded names were used to accommodate the concerns of some organisations who do not want to be identified.

Having explained the steps followed in selecting the banks, it seems necessary at this point to elucidate the procedures used in choosing the individual managers securing their participation and relate the returned questionnaires to the right organisation.

While interviewing the personnel specialists the researcher obtained estimations of the number of managers working for each firm. In most of the cases the managers were assigned to the various managerial levels, i.e., senior, middle, and junior. With this classification of managers in mind and taking account of the low response rate which is associated with mail questionnaire, more than 50% of the managers in each organisation were targeted. Then, the right number of closed envelopes were given to the interviewee

in each organisation for distribution to the managers. Each envelope contained a copy of the questionnaire and a stamped self-addressed envelope. To ensure the allocation of the returned questionnaires to the correspondent bank and facilitate the follow-up process a suffix was added to the returning address. This suffix comprises a letter and one or two digits. The letter designates the organisation whereas the number indicates the respondent. This tactic has resulted in comparatively high return of 77% on average (see Table 6.2).

Table 6.2 The Response Rate Achieved Related to the Five Banks

Banks	Intended Sample	Actual Response	Response Rate
N1	25	23	92
N2	30	21	70
N3	30	24	80
F1	25	17	68
F2	25	19	76
overall	135	104	77

From Table 6.2 it is clear that the response rates vary among the five organisations with the highest (92%) in N1 and the lowest (68%) in F1. The main explanation for this variation can be related to top managers' support for the research endeavour and interest in its findings. A good example is N1 where the response rate is 92%. The general manager was personally involved in ensuring that the researcher's requirements were met, and he was keen to receive an abstract from the analysis that is related to the case of this bank.

6.7 The Sample Characteristics

It should be clear that the research design adopted in this research is a case study approach where the emphasis is normally on a single case. However, in the present research as it explained earlier five organisations. The individual managers surveyed are 104 and are drawn from the five organisations. They represent managers from three managerial levels (i.e. senior, middle, and junior) of various personal and job-related backgrounds. The main characteristics of both the organisations and the individual managers are discussed below.

6.7.1 The Organisations

This section is concerned with explaining the mean features of the banks that are covered by this study. The cases investigated in this research are three national and two foreign banks. The Bahraini banks are N1, N2 and N3 and the foreign banks are F1 and F2. Table 6.3 presents a brief profile of these organisations.

Table 6.3 The Main Characteristics of Surveyed Banks

Banks	Capital (000) BD	Year of establishment	Number of branches	Total employment	Percentage of Bahrainis	Number of managers
N1	8,000	1978	5	204	93	44
N2	57,000	1972	22	440	95	54
N3	32,000	1957	23	440	95	55
F1	3,000	1944	3	201	80	33
F2	6,743	1920	5	275	98	46

The sampled organisations represent the largest banks of the two categories, (i.e. Bahraini and Western) in terms of employment size, number of branches and paid capitals. Further they come first in terms of institution of operation in Bahrain. In fact the five banks surveyed account for almost 28% of all the commercial banks in this country. The commercial banks in Bahrain although representing only 9% of the total of financial institutions, they provide jobs for more than half the population working in the Bahrain financial sector and play a major role in the Bahraini economy. A more detailed account of each firm is presented in Chapter seven where each case is examined as an independent case (see Sections 2-6 in Chapter 7). The individuals who represent the banks in the interview part of this research are: a) N1- the personnel administrator; b) N2- a senior training and career development manager; c) N3- the personnel and training manager; d) F1- the personnel manager ; and e) F2- the personnel manager.

6.7.2 The Individual Managers

This section aims to highlight some characteristics of the managers involved in the questionnaire section of this study. As it has been stated earlier 104 individual managers have completed the questionnaire who have been drawn from the five participating organisations.

Age

The age spectrum of the sample is distributed between the age groups of 25-54. Table 6.4 describes the distribution of the managers surveyed.

Table 6.4 Respondents' Age Distribution

Age Groups	Freq.	%
25-34	40	38.5
35-44	48	46
45-54	16	15.5
Total	104	100

It is clear from the Table 6.4 that the great majority of the sample are less than 45 years of age. The age distribution of the manager may indicate two main points. The first is the fact that the Bahraini population has been reckoned to be young. The second factor might be the reality that the life expectancy of this society is lower than the case in the more developed countries as well as that the retirement age is 60 years in Bahrain.

Gender

As can be seen in Table 6.5 the extreme majority of the managers surveyed are males. The female managers only account for 18% of the sample. This feature of the subjects is not surprising in an Arab society where the male is dominant. However, in such a conservative traditional society these findings indicate some progress in relation to the participation of women not only in the work force but also in regard to managerial jobs.

Table 6.5 The Distribution of the Respondents' Sex

Sex	Freq.	%
Male	85	82
Female	19	18
Total	104	100

Nationality

In respect to nationality the Bahrainis account for 80% of the respondents (see Table 6.6). This result can be related to the long history of banking in the country since 1920 on the one hand. On the other hand the existence of an employment law that promotes and rewards the employment of nationals may have contributed to this large percentage of Bahraini managers.

Table 6.6 Distribution of the respondents According to Nationality

Nationality	Freq.	%
Bahraini	83	80
Non-Bahraini	21	20
Total	104	100

Education

The education of sampled managers have indicated that the largest number of managers have a university degree is 44% and only 21% of the managers surveyed hold a secondary school certificate or less. This is mainly due to the fact that there has been more educational opportunities in Bahrain for the population during the past 20 years. Consequently, the number of educationally qualified human resources has increased and more are entering the labour force. Table 6.7 presents the features of the sample in relation to their educational qualifications.

Table 6.7 The Respondents' Educational Characteristics

Degree	Freq.	%
Secondary school or less	22	21
Two years diplomas	36	35
University degree	46	44
Total	104	100

Length of Service

These factors denote the length of service of the subjects with their current employers. In the light of the findings one can argue that the majority of managers in the banking sector in Bahrain are very loyal to their organisations in the sense that they do not like to change organisations. This argument is based on the outcome that indicates that 49% of the sampled managers have been with their current banks for more than 12 years. Table 6.8 outlines the classification of the subjects in the three categories.

Table 6.8 The Respondents' Length of Service with their Current Bank

Length of service	Freq.	%
1-6	26	25
7-11	27	26
12+	51	49
Total	104	100

Managerial Levels

The subjects of the study sample belong to three managerial levels (i.e. senior, middle, and junior). Their distribution into these categories is described in Table 4.9.

From the table it is clear that middle managers form the biggest part of the sample (44%) next come senior managers 32% of the sample, and last are junior managers who account for 24% of the sample.

Table 6.9 The Managerial Levels of the Respondents

Level	Freq.	%
Senior	82	32
Middle	46	44
Junior	25	24
Total	104	100

The distribution of the sample in this variable can be explained by the fact that the researcher prefers to include as many high level managers in the sample as possible. This preference is attributable the fact that most of the interviewees declared that information on management development and training activities is communicated to departmental heads only (i.e. senior and, in some cases, middle managers).

6.8 The Scope and Limitations of the Study

The foregoing sections have established that this research is an exploratory investigation in essence, it utilises the case study approach to achieve its objectives and is conducted in a developing country of particular nature. Thus, all these realities have contributed to the difficulties encountered by the researcher during the undertaking of this study and especially at the field work stage. In general, however, obtaining data and information in any sort of social research depends to a great extent on the co-operation of

the main sources (i.e. organisation and/or individuals) in approving the research mission and in providing accurate, adequate and reliable information.

By and large, there is insufficient research in the field of management and management development not only in Bahrain but in the Arab world as a whole. Consequently, more scientific investigations in this field are required to pave the way for further research. Thus, one of the objectives of this study is to contribute and to try to fill this gap. However, it is not an easy task to start such a mission, but the choice of a limited number of organisations can allow for in depth analysis and provide for a broad scope of variables to be explored.

With respect to the contextual reality researches of this nature are treated with scepticism. This is due to the conservative attitudes of both organisation as well as individuals in Bahrain towards disclosing information regarding the behaviour of the organisation or individual especially to an outsider. Also, this can be attributed to the fact that the methods of scientific research are new to the country and the various industries therein. The reluctant attitudes were overcome in this research through obtaining the support of an influential figure who is socially and professionally acceptable to the Bahrain banking institutions. Another element which contribute to ease this disposition is the researcher's knowledge of the force of personal relationships in getting things done in Arab societies. Therefore, he built personal relationships with some top managers and with the recommended personal specialists to gain their confidence and obtain their interest and support for the study at this stage.

The main limitations that associate with the case study design, which was adopted in this investigation, are deemed to be twofold. The first is its lack of representativeness, and the second is its lack of rigour in the collection, construction, and analysis of the empirical materials. (Hamel, Dufour and Fortin, 1993). Hence, in this research five cases are examined and two methods are used in collecting the data to, at least partially, cater for these drawbacks. Furthermore, it should be remembered that the findings of this study are not meant to be generalised neither to the Bahrain financial sector nor to all the commercial bank, but rather are confined to the five,case studies.

Finally one should keep in mind that this study is an effort of one individual, and therefore is restrained by the limited resources available to him in terms of fund and time.

6.9 Summary

In this chapter a comprehensive analysis of some methodological considerations are presented. These considerations are related to the research design and methods that are available to social sciences' researchers with special emphasis on those deemed more appropriate in the field of management research. The most suitable approach that is believed to fulfil the objectives of the present research project is highlighted. The stages of the development of the methods used in the data collection phase are explained and the limitations that are imposed by the nature of the methodology and the reality of the context of the study. However, it is stressed in this chapter that there is no one design or method that is inferior or superior to the others. But each type has its particular

advantages and disadvantages and the combination that meets the nature of the issue or question under examination more should be selected accordingly.

CHAPTER SEVEN

MANAGEMENT DEVELOPMENT PRACTICES IN BAHRAIN: THE CASE OF FIVE COMMERCIAL BANKS

7.1 Introduction

The previous chapters describe the frontiers of management development at both the theoretical as well as the practical levels in various contexts. Namely, in Chapter Two the nature of management development and its relation to the managerial work is examined, in Chapter Three some theoretical approaches to management development are explained and some aspects of the practices of management development within organisations are outlined, and in Chapter Four the roles of some cultural forces in shaping the methods used in this respect are illustrated with special emphasis on the Arab case.

Based on the above the actual practices of management development in five commercial banks from Bahrain are examined in this chapter. Detail accounts of the situation in each organisation are presented in the next five sections. The emphases are on individual managers' as well as official [organisations'] views on issues that are related to managerial career planning and management training activities. The ways and means used by the banks to plan and develop their managers' careers are investigated.

At the planning stage, the aims are to find out how managers' careers are planned in each organisation? What are the methods used? and what are the cultural and environmental variables that are seen to have some effects on managerial career planning?

At the training and development stage, this research intends to uncover whether the surveyed organisations have defined policies on management training and development? What are the main objectives of these policies? What are the resources provided to fulfil these objectives? What are the criteria used in selecting and sending a manager to a training session?

7.2 Case One: N1

N1 is a local commercial bank totally owned by the private sector where Bahraini nationals own 96% of the shares. It was established in 1977 as the third national bank in Bahrain with a paid capital of eight million Bahraini Dinars (BD) which equals £12.8 million, and ranked fourth in comparison to other domestic banks.

The bank is relatively small with 204 employees in total, 93% of whom are Bahrainis. The bank has been expanding slowly and has five branches at the time of this study.

The management of this organisation is structured according to the conventional share holding companies' managerial system where an elected board of directors retain the highest organisational authority. However, in practice, the board of directors usually

meets 3-4 times per annum to discuss, approve or disapprove overall strategic issues. The executive committee, which consists of four board members, the general manager and his first deputy is running the more detailed operational affairs.

The two main divisions of the bank, credit and marketing and operations, are headed by assistant general managers, yet there are 44 supervisory and managerial positions in total. The break down is as follows a) 14 are senior managers, b)15 are middle managers (e.g. personnel administrator, branch managers) and c)15 are supervisors and specialised officers .

7.2.1 The Official Perspective

The official position of N1 on management development practices is based on two interviews. The first was very brief with the general manager who was not able to give a detailed account of management training and development processes and procedures that are in operation in the bank due to the fact that he was newly recruited from abroad. But his acceptance and approval of the interview has helped the researcher to gain full co-operation and commitment from the personnel administrator to the interview. The second was held with the personnel manageress who gave the researcher more detailed information . Additional data was gathered from other organisational documents (i.e. annual report, application and appraisal forms). For example, the bank annual report of 1991 contains a statement that could be seen as an overall objective of the bank human resources development:

"we continued to put emphasis on enhancing the quality of our most important resources, the Bahraini employees, in strengthening their credit, analytical, marketing and managerial skills" (N1 Annual Report, 1991: 3)

The report further enumerated other training and development activities that the bank's employees at all levels have participated in during that year as well as some proposed amendments to be introduced to the recruitment policy.

Human and Managerial Resource Planning

Despite the above formal statement that emphasises the bank's commitment to enhance the quality of its *most important resources*, in practice they do not seem to have clear procedures in planning and developing their human resources as the interviews have revealed. The general manager, for instance, admits that "as I understand human resource planning we do not practise it, but it is my intention that we will".

The Bahraini personnel administrator, on the other hand, gave her own understanding of human resources planning and stresses that all vacancies whether at managerial or non-managerial levels are filled whenever they arise. She argues further that "there is no shortage of well-qualified bankers in the local market, and it takes no more than a good financial offer to attract the needed capacity to fill any vacancy at any level. The heads of the two main divisions assess their needs at the end of each year and we do the rest".

At this stage, it can be maintained that no human resources system exists in N1 but rather sporadic treatment meets urgent employment needs.

As for job description, the bank seems to have a job description for all positions. Nonetheless, according to the general manager "it is not applied to the whole area of development as it should be".

This was the case in human resources planning in general, however, for managerial staff in specific, the bank depends heavily on internal sources to fulfil its managerial needs (more than 70% are promoted to their current jobs from within). Yet this process does not seem to follow pre-determined procedures. In this respect the general manager says that "I know that very few people have been recruited from outside the organisation. Nonetheless, the methods used in internal recruitment were principally non-scientific".

The lack of managerial resource planning is evident from this statement which is made by the personnel administrator:

"The choice between internal or external recruitment sources depends heavily upon the type and level of the vacancy, if the right type of person to fill the vacancy is available within the bank then he/she would be preferred. However, if the vacant position requires special characteristics or qualifications which are not possessed by our current staff then an external source would be sought".

Superiors' recommendations and top management personnel judgement are the main methods used in internal selection of managers. Decisions in this respect are mainly made by top managers because they are the only people with the background knowledge and are more capable than anybody else to make the right judgement especially in such a small organisation. Whereas press advertisements both locally and internationally and the

personal acquaintances of the organisation's managers are seen to be common methods when external sources are considered. The divisional managers approve the vacancy's advertisement wording, determine the personal specification required, conduct interviews and make the ultimate selection decision. In this regard the interviewee states that:

"We are a very small organisation with more or less 200 employees. So, internal recruitment and selection do not pose any problems to us since everybody knows how everybody else is doing in their jobs, especially in superiors and subordinates case. However, external recruitment and selection are done through interviews. The ultimate decisions of selecting new managers and staff rest in the hands of the top management of the concerned division".

In recruiting and selecting new managers, N1 gives preference to the following qualifications:

- i. previous related experiences of 3-5 years
- ii. BIBF's Banking Diploma
- iii. good command of English
- iv. university degree in accounting or management related subjects

The functional and professional "job-related" knowledge and past-experience appears to be the most favoured qualifications and criteria that enhance individual chances to gain promotion or to get selected for managerial positions in this bank. In regard to skills although these are not very much accounted for in the process, the interviewee identifies ability to work in teams and independently. The general manager believes that :

"It is dependent upon the sort of job they are going to do. In some jobs professional qualifications are the most important, in others experience-related job-related and/or personality

related traits that constitute the significant bases for the choice. I would argue that it is very much "horses for courses".

This emphasis on previous experience may reflect the fact that the bank does not have a complete system in planning its future managerial requirements as it was admitted earlier by both the general manager and the personnel specialists and that this process is left for superiors and top managers to decide where their involvement and influence are remarkably felt.

Managerial performance appraisal in this bank is carried out once a year for all managerial levels apart from top managers (i.e. general manager, his deputy and assistants). A formal appraisal form that requires each superior to assess his subordinates' past performance according to a standardised check list, to discuss the completed form with the appraised and to have him sign it.

Nevertheless, it could be clearly noticed from the form contents that although some managerial job-related traits are assessed, (i.e. self-development, staff-training and motivating concerns and authority delegations), most emphasis is on function-specific skills. According to the interviewee the main objectives of the appraisal are:

- i. previous performance rating
- ii. assessing major weaknesses to be avoided in the future
- iii. assessing the superior's ability to train his subordinates (on-the-job)

From the above and further discussion with the personnel specialist and another junior manager, one can argue that the appraisal process in this corporation is more

judgmental rather than developmental or forward looking activity. However, the few training or performance improvement recommendations that could result from the process are meant to guide self-development on the individual's part. This emphasis on previous performance rating could be attributed to the prevalent assumption that if someone can do his/her job effectively then that person would be able to achieve the same results on any future job. The tenet that 'experience and experience only is the means to future career success' is still widely abided by in N1. This argument could be supported by the respondent who commented that:

"Managers should learn from their own experiences, from their superior or from others who have made it to the top, there are many examples of hard-working individuals"

The objectivity of the appraisal process is seen to be influenced by a subjective cultural factor such as kinship and friendship that are not work-related criteria. The personnel administrator in this bank expressed it in these words:

"Managers ought to be fair and objective in assessing their subordinate's performance. But, in one way or another, their personal relationships do have some bearing on their judgement of their subordinates. This cannot be controlled, especially in a society like ours where social relations are very close".

The lack of clear human and managerial resources plans seems to be reflected on other activities i.e. managerial potential assessment, promotion and succession planning. Clear schemes do not exist for any of these activities, but are dealt with in an ad hoc reactive manner. Almost all decisions related to these activities are made by top managers on the basis of their personal judgement and with the help of some information that is

gathered from the appraisal. Vacancies are treated as they arise, potentials are assessed in an informal way but, exceptionally performing individuals are likely to be recognised. Immediate superiors have the ultimate responsibility to decide the future potentials of their subordinates.

This situation is caused by many factors as can be gathered from the interviews as well as the researcher's own observations.

- i. clear human resources management systems are lacking;
- ii. insufficient number of human resource specialists. The interviewed personnel administrator is the only person in charge of personnel affairs in the bank;
- iii. top management apathy towards and lack of interest in human resources activities.

The interviewee expresses her views in the following statement:

"I do not want to talk about the past top manager, but our new manager seems to show a lot of interest in human resources planning and development. We have a lot of faith in the new general manager and hope that he will support the planning, training and development of the bank's staff".

At the country's level the personnel specialist felt that the following realities play some roles in hindering planning managerial needs. First is the theoretical nature of the higher education system does not encourage banks to establish recruitment links with the university but to opt for previously experienced *ready made managers*. The personnel administrator argues that:

"You cannot just rely on graduates to recruit managers or would be managers, because you ought to expose them to real life experience and training".

Second is a legal-administrative constraints which are contained in the "Labour Law for Private Sector No. 23 of 1976" which regulates employment in the private sector, set the rules for Bahrainization and requires that certain jobs must be given to Bahrainis. The third is the influence of social and cultural factors such as inter-mediation "Wasta" . The respondent commented on this by saying that:

"Favouritism and nepotism are prevalent social phenomena and are very common not in this organisation and in Bahrain only, but I assume it is there in all Arab societies".

This interference with the process of management recruitment and selection causes some hardships to the organisation .The respondent deliberately describes it "yes yes , so many times you cannot concentrate on your work or relax in your home, probably because the bank has advertised a vacancy in the local press. You would receive calls, recommendation letters or even personal visits from old friends, family members, government officials or other influential individuals. Each of those would be campaigning for one of the applicants or prospective candidates and you feel compelled to be polite with all, despite the confusions and interruptions which are caused to the processing of applications and perhaps making the proper decision".

The main criteria that are used in this bank to decide managerial promotion, according to the respondent are:

- i. past performance quantity and quality;
- ii. ability to develop self.

The main factors that are seen to have negative consequences on the promotion process are:

1. The absence of potential assessment scheme and succession promotion planning which are blamed on lack of top management interest;

2. The interference of nepotism, favouritism and friendship as cultural phenomena with promotions decision. The interviewee admits that:

"In some cases people are promoted not because they deserve to be promoted on merit but because they are favoured by their superior or sometimes by a top manager".

Given the above scenario of how the bank handles the planning processes of its human resources at the various levels, the next section will be devoted to discovering the firm's policy and procedures in managing its management training activities.

Management Training Policy and Activities

The personnel administrator has affirmed that the bank's staff at all levels, managers and non-managers, have attended various training courses and participated in different developmental programmes. She added that continuous training is needed to provide managers with skills and knowledge and to familiarise them with new management methods and techniques that are constantly emerging. Notwithstanding, she admits that no systematic procedures are followed in conducting training in this firm.

"No defined policy on management training exists, and we have suffered a great deal from not having one. However, the new general manager seems to have training and development at the top of his agenda, and I think we are going to have a training policy formulated very soon".

The personnel specialist argues that the need for management training is not only tremendous but imperative and expanding in this bank as well as in other Bahraini banks. She believes that the survival and prosperity of the Bahraini banks demand a great deal of training and development of managers and non-managers to cope with:

- i. fierce competition from international banking institutions;
- ii. Bahrainization regulations;
- iii. new methods and techniques in management and functional fields where experience alone is inadequate in developing the desired type of managers.

Nonetheless, she rated her organisation below average in management training in comparison with other commercial banks in Bahrain.

N1 does not have formal procedures to assess managers' training needs therefore selection of managers to participate in training is in the hands of their superiors. A great deal of subjectivity and personal judgements are believed to be involved in assessing the type and level of the required training.

On-the-job training is practised at a minimal level because it is initiated by individual managers and prone to time availability. However, off-the-job training courses are held outside the organisation since no training facilities are available within. The Bahrain Institute of Banking and Finance (BIBF) short courses compose the main form of off-the-job training that the bank's managers participate in. Other forms of short intensive courses are very rarely utilised due to their high cost. Three managers, including the personnel administrator, are attending an evening MBA programme at Bahrain University whose tuition fees are paid by the bank.

As far as the evaluation of training is concerned it takes a form of post training report which is written by the participant on his return describing the training experience value to him and if it could be recommended to other colleagues.

The value of training and its contribution to improve organisations performance is highly realised by the personnel administrator, but she posed the not unusual question “How can the contribution of training to organisational performance be measured”?

The major constraints to management training that can be elicited from the interview are :

- i. the absence of defined training and development policies;
- ii. the lack of formal training needs assessment;
- iii. the involvement of some social and personal factors in the selection of participant;
- iv. the lack of both training facilities and budget allocation;
- v. some managers refusal or disbelief in the value of training;
- vi. lack of top management support "the training received zero support from the past top manager";
- vii. top managers find it difficult if not impossible to spare time for training.

Having examined the organisation's perspective on both managerial resource planning and training and development activities, attention now shifts to the individual managers' perception of the practices of their organisation in the same areas.

7.2.2 Managers' Perspective

The managers' perceptions of management training and development policies and practices are obtained from and built on analyses of questionnaires. These were completed by 23 managers at junior, middle and senior managerial levels from "N1".

acquired data was analysed to gain a descriptive picture of the managers perceptions of their organisation's management development practices.

The managers who participated in this study are distributed into three managerial levels and 21.7% of them are senior managers, 34.8% are middle managers and 43.5% are junior managers. Bahraini nationals compose 74% of the sample, 74% are male and 82% of them are 44 years of age or less. In general, the respondents are fairly highly experienced where 72.5% have 10 years or more and 52.2% have been working for this bank for 10 years or more. As for their educational background 87% of the managers have a degree or a diploma, i.e. 30% have a diploma of two years after secondary school, 30% hold university degrees and 27% have obtained postgraduate degrees such as MBA or Chartered Accountancy.

Managerial career planning

The 23 managers' points of view regarding the methods, procedures and criteria that are applied by the organisation in recruiting, selecting, promoting, potential assessing and performance appraising of its managers are presented in Tables 7.1 and 7.2.

In general, although not exclusive, there are many shared points between the managers' responses and what has been revealed in the interviews. For instance, the general manager's remarks that no proper human resource planning is practised in the bank, that job descriptions contain no guidelines for future development of the jobs' incumbents and that the recruitment methods are "non-scientific" are echoed by some

manager's responses to the questionnaire. The majority of the respondents (52.2% and 69.6%) believe that managerial careers are not planned nor systematically developed (items 1 and 2 respectively). Furthermore, 60.9% of the managers surveyed think that managers potential is not assessed according to scientific techniques, but are mainly decided by top managers (item 4) and immediate superior (item 5).

Another example of the similarity between the two perspectives is evident where the largest number of the managers (i.e. 43.5%) perceive that their organisation does not plan its recruitment needs. This is consistent with the personnel specialist's comments that any vacancy is met whenever it arises and all that is required is a "good financial offer". An additional indication of the lack of managerial resource planning is evident, at least, from the manager's point of view when 69.6% of them disagree that a trained successor is always available to fill sudden vacancies (item 10).

Table 7.1 Managers' perceptions of managerial career planning practices (n=23) N1

NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	All managers future careers are planned	8	43.8	3	13	12	52.2
2	Managerial career at all levels are systematically developed	5	21.7	2	8.7	16	69.6
3	Managerial potential is assessed according to scientific techniques	3	13	6	26.1	14	60.9
4	Managerial potential is assessed by top management	11	47.8	8	34.8	4	17.4
5	Managerial potential is assessed by immediate superior	15	65.3	5	21.7	3	13
6	Managerial potential assessment is influenced by social relationships	8	34.8	7	30.4	8	34.8
7	Managerial recruitment needs are planned in advance	8	34.8	5	21.7	10	43.5
8	Internal recruitment is a main source of the managerial job	6	26.1	5	21.7	12	52.2
9	External recruitment is a main source of the managerial job	13	56.5	4	17.4	6	26.1
10	There is always a trained successor to fill future vacancies	4	17.4	3	13	16	69.6
11	All qualified candidates have equal selection opportunity	7	30.4	4	17.4	12	52.2
12	Training is always provided before managerial placement	4	17.4	2	8.7	17	73.9
13	I believe that managerial selection is influenced by social relations	10	43.5	4	17.4	9	39.1
14	Promotion is gained by achieving consistent high quality results	14	60.9	2	8.7	7	30.4
15	Promotion is gained through seniority	1	4.3	4	17.4	18	78.3
16	Promotion is gained by ability to develop self and subordinates	20	87	1	4.3	2	8.7
17	Promotion is gained by social back up	12	52.2	5	21.7	6	26.1
18	I have been promoted to my present job from within	13	56.5	0	0	10	43.5
19	I believe that managerial career development contributes to organisations' performance	22	95.7	0	0	1	4.3
20	In my opinion the career development scheme has helped my development as a manager	10	43.5	3	13	10	43.5

Table 7.2: Managers' perception of the performance appraisal practices (n=23) N1

NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
1	My performance is formally appraised at least once a year	22	95.7	0	0	1	4.3
2	My performance is appraised if promotion or training is considered	4	17.4	1	4.3	18	78.3
3	My performance is usually appraised by myself	2	8.7	0	0	21	91.3
4	My performance is usually appraised by my immediate superior	21	91.3	0	0	2	8.9
5	My performance is usually appraised by the personnel department	1	4.3	2	8.7	20	87
6	One of the main aims of the appraisal is to grade past performance	16	69.6	0	0	7	30.4
7	One of the main aims of the appraisal is to help in setting future targets	18	78.3	4	17.4	1	4.3
8	One of the main aims of the appraisal is to determine bonus payment	5	21.7	6	26.1	12	52.2
9	One of the main aims of the appraisal is to assess training needs	17	73.9	2	8.7	4	17.4
10	One of the main aims of the appraisal is to assess promotion prospects	17	73.9	1	4.3	5	21.7
11	I usually discuss my appraisal with my superior	21	91.4	1	4.3	1	4.3
12	Performance appraisal is confidential	11	47.8	1	4.3	11	47.8
13	The appraisal objectivity is influenced by social and personal relationships	12	52.2	3	13	8	34.8
14	I believe that the appraisal process helps management development	22	95.7	0	0	1	4.3

With reference to management recruitment and selection sources a paradoxical situation emerges. The personnel specialists assertion that internal sources are given priority over external sources in selecting new managers apparently contains a contradiction when managers' perceptions are examined.

While 56.5% of the surveyed managers have indeed been internally recruited and promoted to their current positions (item 18), thus conforming to the specialist's argument. Nevertheless, the responses of the sampled managers, that is 56.5% would suggest that they believe that recruitment is drawn mainly from source external to the bank. Only 26% consider that internal recruitment constitutes the principal source of filling managerial vacancies.

This contradictory situation can be explained in the light of the actual practices of this organisation. Firstly, managers cannot discern any career planning in this bank which obscures career prospects for them. Secondly, the organisation does not make any effort to prepare its managers for future development. Thirdly, the personnel manager's remarks indicate that top level managerial jobs are usually filled from external sources. Lastly, it should be remembered that this organisation is relatively small and has only a few top managerial positions that might have been considered by the responding manager's to restrain their future promotional chances.

The managers in this sample have very positive attitudes towards the value of career planning and development with 95.7% believing that the implementation of such methods could enhance their organisation's performance. However, they were less enthusiastic when their organisation practices were considered. Only 43.5% felt that their firm's career planning and development scheme had aided their own development as managers (items 19 and 20). This could be more easily understood in the light of the participants' answers to item 12, whereby training is not seen to be linked to managerial

selection nor a part of appointing new managers. Further clarification might be found in the following comments. One manager argues that:

"There is no career development scheme, but it is my own studies in my own time that have helped my development as a manager, now I am in my final year in an MBA programme".

Another believes that:

"Career development has more to do with personal goals or vice versa, rather than exigencies of the organisation".

According to the sample's members promotional opportunities are usually perceived to be improved by a variety of determinants. The ability of the manager's to develop self and subordinates has been felt by 87% of the managers to be of primary importance. 60.9% considered that consistent achievement of high quality results is a dominant factor in obtaining promotion at managerial jobs. Surprisingly, seniority has been found to be of minimal significance as an element in deciding promotion within this bank, where only one manager considering it to be relevant.

Attention can now be turned to the influence of social and personal ties and their implications for managerial career planning as they are identified by the managers in the survey. A clear conclusion that could be drawn from the tables above is that the managers perceive that the cultural variable, i.e. favouritism and nepotism determine, to varying degrees, managerial career prospects within this bank. One manager comments:

"I agree that potential assessment and promotion decisions, at least to some degree, are subject to social and personal ties and influences, therefore, managers ought to visit and socialise with their superior outside the organisation".

Managerial performance appraisal is seen by the great majority of the managers' of this bank as an annual routine activity (items 1 and 2). Responsibility for managers' performance appraisal mainly reside in the hands of immediate superiors according to the 91.3% of the respondents. Self-appraisal, however, is seen to be very limited and only 8.7% of the sample believe that they appraise their performance.

Even though 91.3% of the managers agree that they usually discuss their performance appraisal with their superiors, 47.8% of them have noted some type of confidentiality in the appraisal process (items 11 & 12). This discrepancy could be related to the involvement of higher managers at a later stage of the process. One manager has commented:

"Despite the fact that performance appraisal is discussed and signed by both the appraised and the appraiser, top management has the authority to accept, reject or amend the reported review. Regrettably, when this is done it is not communicated to the concerned parties".

Another states that:

"I consider that in opposition with what is written in the performance review that the results of the appraisal should be communicated to the appraised for the process to be productive".

95.7% of the participants overwhelmingly believe that performance appraisals help the management development process. Yet, a clear majority of them (i.e. 52.2%)

have recognised and reported that the appraisals' objectivity is liable to social and personal ties influence in this organisation. Some managers have expressed their disapproval of this practice in various ways. One has stated that:

"Top management realisation of the valuable role of the appraisal in the management development process is still inadequate. Thus, subjective criteria are prevailing in judging managerial performance".

Another argues:

"Although performance appraisal is extremely important, due to obvious differences amongst the managers' in terms of qualifications, background and personal characters, the judgmental process may vary considerably between one manager and another concerning the same person. This is a major problem because an employee can be easily over or under evaluated".

A third stated that:

"Social and personal relationships ought to have some bearing on the appraisal consciously or unconsciously. But I believe that the appraisal must be objective and its results should be communicated to the appraisees to help them to improve their future performance".

Management Training and Development Activities.

In the light of participants responses (see Table 7.3) it is conspicuous that management training in Bank N1 is very limited in terms of training days. 52.3% of the surveyed managers have reported that they attended no training at all during the 12 months prior to this study. 26.1% have spent 1-5 days in training, 4.3 have attended 6-10 days of training and the remaining 17.3% have participated in 10 or more training days. This lack of training opportunities contradicts the personnel specialists claims as well as

the annual reports proclamation that the bank's staff managers and non-managers have participated in various training and development activities (see 7.2.1). These conflicting remarks between the official and the individual managers' perspectives could be blamed on the absence of policy on management development and training in this form. The absence of this policy which is acknowledged by the personnel administrator is confirmed by the managers answers to items 2 and 3. 78.3% of them maintain that information on training policy is not available to them nor information on future training opportunities.

The Role and involvement of the personnel department in decisions related to management training are viewed to be marginal by the sample's members. Whereas 73.9% of them believe that the concerned manager and his/her superior are equally involved in such decisions (items 4 and 5). Both current job, as well as future development needs constitute the basis for manager's selection to attend training programmes (items 9 & 10). Despite this acknowledgement the largest portion of the respondents (39.1%) believe that management training is available to a selected few. Furthermore, 65.2% think that selection for management training is subject to social and personal ties influence.

As for the evaluation of the training, although the majority of the managers believe that both pre and post training evaluation is practised in one way or another, this process takes an informal form of discussion, either between the trainee and his superior before going to training programmes or a voluntary review of the training experience with superior fellow workers and/or staff. One manager says:

"It all depends on your superior's interest in training, sometimes he would sit with you before you go to a training course or after your participation. In reality there is no steady procedure".

Another believes that evaluation is essential to determine the applicability:

"Training should be evaluated to decide if it is relevant and applicable to your situation. Otherwise, there is no point in attending training without applying the concepts which have been taught. Unfortunately this is the case most of the time."

The managers perceive that the amount of training which has been offered to them is extremely insufficient (item 14). One manager's comments may sum up their frustration with this inadequacy of training provision:

"The lack of training, I believe, is one of the main shortcomings of this organisation and stems from the lack of policy on training for the present as well as the future".

A second remarks:

"Management has become aware of the lack of proper training and personnel policy and intends to rectify the situation".

This awareness of the deficiency of the amount of management training experienced by the managers' could be related to the remarkably important value connected to training by the managers, as a key element that improves both the managers as well as organisations' performance. 95.7% of the managers think that training enhances managers achievements and 91.3% of them believe that it helps the organisation's performance. This high regard for management training has drawn many comments from the responding managers. For instance, a Bahraini manager wrote that:

"There is no doubt that training improves managers performance and consequently the organisations".

Another puts it:

"Training and development are crucial for ambitious executives, even those who have high qualifications".

The above surely reflects the managers' positive attitude towards training and its contribution to better managerial as well as organisational performance. Moreover, it could be concluded from the above that the managers felt the need for more training chances to be provided by their organisation.

Table 7.3: The manager's perception of management training activities (n=23) N1

NO	ITEMS.	Frequency				%	
1	Number of days spent on training over the last 12 months						
	None	12				52.3	
	1-5	6				26.1	
	6-10	1				4.3	
	11-15	3				13.0	
	Over 15	1				4.3	
	TOTAL	23				100	
NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
2	Information on training policy is always available to me	4	17.4	1	4.3	18	78.3
3	Information on future training is always available to me.	5	21.7	2	8.7	16	69.6
4	I am always involved in my training decisions	17	73.9	0	0	6	26.1
5	My immediate superior is always involved in my training decisions	17	73.9	0	0	6	26.1
6	Managerial training is decided by the personnel department	6	26.1	2	8.7	15	65.2
7	I usually discuss the objectives of training with my superior before participation.	14	60.1	0	0	9	39.1
8	I usually write a report on my return from training	6	26.1	0	0	17	73.9
9	I always discuss my training experience within the organisation	15	65.2	0	0	8	34.8
10	My selection for training is closely related to my current job needs	14	60.9	2	8.7	7	30.4
11	My selection for training takes future development needs into account	14	60.9	4	17.4	5	21.7
12	Management training is available to a selected few	9	39.1	6	26.1	8	34.8
13	Selection for management training is subject to social and personal ties influence	15	65.2	2	8.7	6	26.1
14	The amount of training offered to me is sufficient	4	17.4	3	13	16	69.6
15	In my opinion, management training improves managers' performance	22	95.7	0	0	1	4.3
16	In my opinion, management training improves organisations performance	19	91.3	2	8.7	2	8.7

The overall picture of management development and training in N1 could be summarised in the light of this investigation as follows:

- I. The need for and the significance of management development activities are clearly felt by the individual managers and reported by those who represented the bank in the interviews. Nonetheless, the organisation appears to be experiencing and suffering from:
 - i. complete omission of human resources planning;
 - ii. the absence of managerial resource planning;
 - iii. lack of defined policy on management development and training;
 - iv. paucity of material and financial resources allocation to meet management training requirements;
 - v. insufficiency of management training opportunities available to its managers, and
 - vi. the involvement and influence of social and personal ties "cultural factors" to a recognisable degree, on management development processes. This reality has been explicitly expressed by the majority of the surveyed managers and implicitly admitted by the official.

7.3 Case Two "N2"

N2 is a full commercial bank which was founded in 1971 as a joint venture institution, with half the capital subscribed by private Bahraini investors and the other half by the leading Kuwaiti banks and investment companies. The paid capital of this institution is BD 55 million (£88 million).

The bank employs 445 people 95% of whom are Bahraini nationals. N2 has attained a noticeable share of the domestic retail banking market through a gradual but

steady expansion. By the late 1970s the bank had six branches and by 1988 the number had increased to twelve and by the end of 1992 the number of branches had reached 20.

In comparison to the commercial banks in Bahrain, N2 is ranked first in terms of its capital and size of employment and in the domestic retail market the gap between it and N3 has undoubtedly been narrowing (Presley and Wilson, 1991).

An elected board of directors symbolises the top managerial authority. Yet an executives committee, which is a composition of six board members and three top executives, is in charge of strategies formulations and supervises their implementation. However, at the organisational structure's level, the bank is mainly divided into three units (i.e. Corporate Banking Department, Treasury and Investment Division, and Human Resources Management). Each of these principal organisational units is headed by a deputy general manager. In aggregate there are 54 managerial cadre working for this organisation at all levels and 75% of them are Bahrainis according to the interviewee who represented this bank.

The bank has suffered a number of setbacks in its operations in the years 1984-87. Late in 1987 the Board of Directors authorised the then newly appointed general manager and chief executive to diagnose and prescribe the remedies. Consequently, a comprehensive re-organisation of the bank was adopted and implemented.

A major recruitment operation was launched to cater for the new developments. Hence, professionals of various backgrounds and specialities were approached and selected and new management teams were set up.

One of these teams is a human resources team which is entrusted with the planning and development of the bank's work force at all levels. New policies and systems were devised for the training and development of staff managers as well as non-managers. A more detailed account of how this organisation is actually approaching the planning and the development of its managerial personnel is presented in the next section.

7.3.1 The official perspective

N2's official view on management training and development is mainly drawn on an interview with a senior training and career development manager. However, other secondary sources, such as annual reports application and appraisal forms as well as some other accessible document, were consulted for supplementary data.

The bank's 1991 annual report contains a review statement on the Human Resources Department's achievements during that year.

"The Human Resources Management continued its focus on staff development strategies through a wide range of courses and seminars covering Management and Banking Development, Customer Care, Strategic Planning, Communications and Marketing. During the year, 600 employees participated in 120 various training sessions run by in-house, local and overseas training institutions" (N2 Annual Report, 1991: 14).

The above statement reflects, at least, the Board's pride of the achievement and support to staff training and development strategies, yet the organisation's de facto managerial resources planning practices are investigated in the light of the interviews next.

Human and Managerial Resources Planning

In 1987/88 new Human Resources' Team laid down new foundations for human resources planning and development in accordance with the new management orientation where human resources are believed to be one of the essential elements in attaining success. The interviewee emphasises that:

"the top management of this bank believes that if you want to succeed in such a dynamic environment, you need to develop not only your systems and structures but human resources development must be at the centre of any development."

A three years plan to project the bank's requirement of human resources at all levels is in practice and adjusted annually if necessary in relation to other personnel systems. It is linked to succession planning, deployment system and training and development schemes.

Job descriptions exist for all jobs and are a fundamental part of the human resources development system in "N2".

The above applies to managerial and non-managerial jobs, however, managers' career planning in this organisation have been dealt with in two stages. The first stage

was between 1987-1989 when most executives, chiefly at senior levels, were recruited from outside the organisation to match the organisational changes. Thereafter, internal sources were more utilised as new managerial career planning procedures were introduced to guide the recruitment selection and promotion of managers. The interviewee stresses that:

" to cater for the reform which was introduced in 1987, professionals who were needed in the various fields were approached and recruited from external sources. All our executives and senior managers, with few exceptions, were externally recruited in 1988 and 1989. However, late in 1989 the Human Resource Team completed and launched new systems (i.e. succession planning, deployment systems and training and development policy) to enhance the internal resources. Therefore, between 1989 and now (1992) a number of the pre-1987 officers became managers and assistant managers and some managers became senior managers".

It is evident that the bank depended heavily on external sources in recruiting managerial talents for the three years which followed the initial organisational and managerial changes. This was caused by the sudden change as well as the previous top management negligence of training and development. Here is what the senior training and career development managers has to say in this respect:

"When we arrived we found a lot of ignorance concerning human resources development . We found the organisation suffering from a skill deficiency among managers as well as others"

The percentage of managers who were internally recruited in this organisation is estimated to be around 25% of the current managers in this organisation, according to the interviewee.

Internal recruitment, although, decided at the top, is mainly based on a potential assessment report (i.e. Employee Potential Review Report). The EPRR is a multi-purpose form that should be filled in annually by each superior for each employee under his/her supervision in accordance with the result of the last appraisal. It serves to assess managerial potential, to determine immediate and future successors to all managerial posts and as a method to assess training needs.

On the other hand, external recruitment is very much subject to personal connections' influences. The respondent believes that is so because "*Bahrain is very small and everybody knows everybody else*". However, press advertisement is also used to attract applications. A panel interview is employed to select suitable applicants but final decisions are taken by top managers.

In recruiting new managers, especially from external sources, the human resources' specialist believes that:

"It is very difficult to find on the local labour market a person with a good combination of previous experience and high educational qualifications. It is usually the case that you can find someone who possesses a university degree, but has limited or no experience at all and vice versa".

He identifies the following qualifications which are preferred by his organisation in recruiting new managers:

1. Previous experience in related fields.
2. A university or postgraduate degree in management.

3. English language.

Furthermore, the interviewee emphasises that his organisation would prefer managerial candidates who can display skills and abilities to:

- i. work successfully in teams;
- ii. work independently but not individually; and
- iii. work as on-the-job trainers.

The organisational members social and personal ties have some influence on the recruitment and selection process and was not denied by the respondent. He argues

"it is very difficult to say no as our culture believes in the "helping hand". However I am sure that it is not there to that extent. In fact it is very minor in this organisation perhaps we are lucky !"

At the environmental level, the competition among the financial institutions over a limited number of well-skilled individuals was seen to be the main factor that causes major concern for this firm in recruiting new managers. The interviewed managers emphasise that:

"There is a big competition for talented people and I think that this is caused by the limitation in terms of skills availability. You have to be very prompt in making your selection decisions or you would miss the chance to attain managerial talents to other competitors".

Another environmental factor is intermediary and pressure from socially influential people that interferes with the recruitment and selection process. This factor is viewed to have very limited influence in this bank according to the respondent. Nonetheless, he maintains that it varies from one organisation to another.

"Each organisation is known for the way it recruits and this bank is well known".

The third factor is related to the country labour regulations (i.e. Law No. 23/1976). Although it is seen to have no limitation on the recruitment and selection, its impact is obvious in this statement:

"The Labour Law is very clear in this regard. If we get a Bahraini who can cope with the position, we take him. 95% of our work force are Bahrainis and we have received the reward for Bahrainization".

In relation to managerial performance appraisals in N2 all managers are formally appraised twice a year in June and December. The appraisal system is mainly based on a management by objective (MBO). This is done on a form against pre-defined objectives for individuals and organisational units. The main objectives of the appraisal are:

1. Previous performance rating "objectives"
2. To identify good performing individual "potential assessment"
3. To determine compensation since it is linked to the bank's reward system.
4. Promotion prospect's assessment.

Subjectivity and the changing nature of the financial market are picked up by the interviewee to form the two main difficulties that face the appraisal. The former is seen to go for any organisation according to the respondent. Whereas the latter is a result of using the MBO in appraising the managers performance in this bank. The changes in the market require a regular review and amendment of the objectives. Thus, the appraisal process is influenced by the market demand change.

Potential assessment is limited for middle and junior managers whereas top managers. Their future abilities are predicted according to a combination of performance appraisal results, the outcome of EPRR forms and against a competency-based checklist of skills. The list contains eleven areas that cover various managerial competencies(see Figure 7.2). It is used for managerial jobs and administered by training and development specialists in co-operation with concerned superiors. According to the procedures in this bank each manager is required to acquire certain levels on each skill area.

Managers promotion decisions are principally based on both the EPRR and the competency-based criteria. Limited vertical managerial promotion opportunities and change resistance are seen to be the major difficulties in relation to this organisation's promotion system. The limitation of advancement chances is explained by the fact that 95% of the bank's employees are Bahrainis. The resistance of change however, as clarified by the interviewee, is related to the fact that other banks "competitors" are not using similar systems in their promotion practices.

Figure 7.1 : Competency-based skills checklist criteria N2

No	Skill	Required	Actual	Skill	Required	Actual
1	Self-management:					
	1.1 Accountability	3	0	1.2 Commitment	3	0
	1.3 Adaptability	3	0	1.4 Respect	3	0
2	Communication:					
	2.1 Writing	3	0	2.2 Speaking	3	0
	2.3 Negotiation	3	0	2.4 Responsiveness	3	0
3	People Management					
	3.1 Leadership	3	0	3.2 Team building	3	0
	3.3 Motivation	3	0	3.4 Delegation	3	0
4	Strategy:					
	4.1 Vision	3	0	4.2 Planning	3	0
	4.3 Implementation	3	0	4.4 Monitoring	3	0
5	Problem Solving:					
	5.1 Creative thinking	3	0	5.2 Analytical thinking	3	0
	5.3 Proactive thinking	3	0	5.4 Resolving	3	0
6	6. Decision making:					
	6.1 Courage	3	0	6.2 Decisiveness	3	0
	6.3 Judgement	3	0	6.4 Objectivity	3	0
7	Training and Development:					
	7.1 Self-development	3	0	7.2 Staff-development	3	0
	7.3 Coaching and counselling	3	0	7.4 Presentation	3	0
8	Service Quality:					
	8.1 Quality orientation	3	0	8.2 Inspiration	3	0
	8.3 Achievement	3	0	8.4 Assurance	3	0
9	Market Management					
	9.1 Marketing	3	0	9.2 Affiliation	3	0
	9.3 Competition	3	0	9.4 Penetration	3	0
10	Business Management					
	10.1 Organising resources	3	0	10.2 Time management	3	0
	10.3 Budgeting	3	0	10.4 Development	3	0
11	Risk:					
	11.1 Assessment	3	0	11.2 Profiling	3	0
	11.3 Contingency development	3	0	11.4 Monitoring	3	0

Source: Supplied by the interviewee

Management Training Policy and Activities

Management training was brought to centre stage after the 1987 organisational changes. Therefore, drafting management training and development policies and the minute plans were the prime tasks of the Human Resource Team. The overall objective of the policy is to develop national staff in all levels to their full potential in line with the bank requirement.

The policy is written, but could not be revealed to the researcher because it is confidential. Nevertheless, the training manager was willing to discuss the main objectives of the policy and pronounces that "the broad objective of our training and development policy is to develop national staff in all levels to their full potential in line with the bank requirements. From this general objective many objectives are derived i.e. the improvement of the managers' performance, the preparation of the managers for future advancement and increasing managers awareness of the business and its environment are all considered in the policy"

To achieve these objectives the bank uses a computerised training system which contains complete details on the annual training plans and their progress. The system keeps records of all managers personal qualifications, experience and previous training attendance as well as their potential and future training needs. At any time information can be easily obtained, whether on the individual or on the overall organisational training status.

According to the respondent the policy is communicated to the people concerned. Every manager should know the level of training he/she has to attend within the context

of his/her current job as well as the targeted job and future amount of training available to him/her.

In this bank there is a general feeling that the need for training is very high and training is seen to be an ongoing activity. Yet despite this positive attitude, managers are not required to attend a certain number of training days per annum but, this is done according to their needs.

"There is no training for the sake of training here, but training is limited to job requirements now and to satisfy future development needs".

Furthermore, the following reasons are identified by the interviewee to account for the high degree of need for management training.

- I. To remedy the past negligence of training and development
- II. To treat the past imbalance between employment intake and training
- III. The current top management belief that training is essential for the organisation's success.
- IV. Learning through experience seems to be not only inadequate, but "could be dangerous and containing an element of risk" according to the respondents.

Training needs are assessed annually by the EPRR, which combines the results and recommendations of the appraisal with potential assessment and succession planning recommendations. The inflow of the information is fed into the training system and analysed by the training and career development people. Then, through the analysis of each manager's immediate as well as future training needs are determined and

communicated upwards to all divisions as well as the top managers. Other methods which are used occasionally by this bank are surveys and questionnaires.

Selections for training are mainly based on current job needs and future career advancement requirements. Immediate superiors are involved in the selection decision only to decide on priorities but then personal inclinations can not influence the decision. This is due to the fact that everything is controlled by the training system. The training and career specialist remarks that:

"In a study we conducted in 1988 we found that the training and development decisions were, to a great extent, influenced by social and personal ties. However, today no way we can allow someone to go on a training programme or to incorporate his development in the training plan because someone else wants to send him. His superiors have to justify to us why they want to send him, and what is the return for this bank, for the individual's current job and his future development from the training programme".

Both on-the-job and off-the-job training methods are provided for the managers of this bank. On-the-job training takes mainly the form of coaching and project assignment. Off-the-job training on the other hand, is offered principally for function-related improvement and takes on the following patterns:

1. Short intensive internal courses
2. Short intensive external courses in collaboration with the BIBF and/or other banks.
3. Short intensive courses abroad.
4. MBA programmes in Bahrain, 3 managers are sponsored by the bank.
5. MBA programmes abroad, 3 managers are sponsored by the bank on distance learning

Training activities are evaluated in two stages before and after participation. At the pre-stage, training decisions should be based on the individual's assessed needs and an orientation of the participants on the objectives of training. While on the other hand, managers are required to write a report on their return from any training experience, then superiors are required to monitor, assess and feed back any performance improvement 3-4 months after the training course.

Lack of time for the manager to participate in training was the only noted obstacle that faces the organisation's managers according to the respondent. He stresses that:

"Coping with the business requirements in such a competitive environment and the need to release people to attend training is very hard. You cannot really sacrifice their [managers] absence".

At the country level, the main hurdles to management training are viewed to be:

- i. lack of training institutions that are able and equipped to satisfy advance management and banking training needs
- ii. the theoretical nature of the training offered by the existing training institutions
- iii. the high cost of management training

N2 is considered to be a leader in the field of management training and development. This was acknowledged by other interviewees from other banks, accredited by the bank's representative in this interview and can be confirmed by the above investigations of the bank's approaches to management development. Further evidence lies in the training resources employed by N2 to serve the training and development activities. The bank has a fully equipped training centre employing eight people acting as

full time and part time trainers along with four administrators. The annual training budget is approximately 2% of the net profit.

The previous paragraphs describe management training and development scene in N2 from the point of view of the organisation as it is illustrated by the interview with the senior training and career development manager.

In the following section attention will be turned to the individual manager's views on, and awareness of, the same process.

7.3.2 Managers' perspective

The managers' perception about management development situation in N2 are built on 21 questionnaires collected from managers at various organisational levels i.e. 9 (43%) are senior managers, 9 (43%) are middle managers and 3 (14%) are junior managers. Bahrainis constitute 90.5% of the sampled managers and 90.5% are males. In relation to their age distribution 33.3% of the surveyed managers are 25-34 years of age, 52.4% are between 35-44 years and 14.3% are 45-54 years old. In terms of educational qualifications, 81% of the participants have obtained a diploma or a higher degree, however, 19% of them have a secondary school education or less and the same percentage have a postgraduate degree.

As far as previous experiences are concerned, the sample members have rather good records in general, 23.8% have 1-10 years, 42.9% of them have 11-20 years and

33.3% have more than 20 years since they started their first jobs. However, 23.8% have 1-5 years experience with this firm. 47.6% have 6-10 years and 28.6% have more than 10 years. While their experience records on their current jobs, are 66.6% have been in their job for 5 years or less, where 33.3% have spent between 6 to 8 years.

Managerial Career planning

An accumulated account of the 21 managers' responses who represented this organisation to the management career planning section of the questionnaire is presented in Table 7.4.

It is apparent from Table 7.4 that most of the proclamations made by the senior training and career development manager in the previous section are supported. The great majority of the managers seem to be aware of the fact that their careers are planned and developed systematically in N2. They perceive very limited social influence on potential assessment (Item 6). However, their answers in relation to management recruitment planning are not as convincing, only 42.9% of them believe that recruitment needs are planned in advance. This can be explained by the fact that the human resources' systems were adopted recently, in 1990, and might have not been fully comprehended by all managers. Further justification of this state of confusion could be the fact that this organisation has launched a massive external recruitment in the past few years to make up for previous shortages of skills.

Table 7.4: Managers' perception of managerial career planning practices (n=21) N2

NO	ITEMS	TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	All managers future careers are planned	16	76.2	4	19	1	4.8
2	Managerial career at all levels	17	81	3	14.2	1	4.8
3	Managerial potential is assessed according to scientific techniques	14	66.7	4	19	3	14.3
4	Managerial potential is assessed by top management	19	90.5	1	4.8	1	4.8
5	Managerial potential is assessed by immediate superior	19	90.5	1	4.8	1	4.8
6	Managerial potential assessment is influenced by social relationships	2	9.5	4	19	15	71.5
7	Managerial recruitment needs are planned in advance	9	42.9	7	33.3	5	23.8
8	Internal recruitment is a main source of the managerial job	16	76.2	2	9.5	3	14.3
9	External recruitment is a main source of the managerial job	10	47.6	1	4.8	10	47.6
10	There is always a trained successor to fill future vacancies	11	52.4	6	28.6	4	19.0
11	All qualified candidates have equal selection opportunity	12	57.1	4	19.0	5	23.8
12	Training is always provided before managerial placement	9	42.9	5	23.8	7	33.3
13	I believe that managerial selection is influenced by social relations	3	14.3	4	19.0	14	66.7
14	Promotion is gained by achieving consistent high quality results	19	90.5	1	4.8	1	4.8
15	Promotion is gained through seniority	1	4.8	0	0	20	95.2
16	Promotion is gained by ability to develop self and subordinates	21	100	0	0	0	0
17	Promotion is gained by social back up	4	19.0	4	19.0	13	62
18	I have been promoted to my present job from within	12	57.1	0	0	9	42.9
19	I believe that managerial career development contributes to organisations' performance	21	100	0	0	0	0
20	In my opinion the career development scheme has helped my development as a manager	19	90.5	1	4.8	1	4.8

The managers sense that internal recruitment sources to fill managerial posts have far more chance than the external sources (Items 8 & 9). Moreover, 52.4% of the

managers have reported that succession planning is practised in their organisation. The majority of the managers disagreed that managerial selection is subject to social and personal inclinations and 57.1% of them feel that managerial candidates have equal opportunity to be selected. Nonetheless, they remark that training does not always accompany managerial placement.

According to the sample's answers 57.1% of them have reached their present jobs as a result of internal promotion whereas the rest (42.9%) have been externally recruited. All the managers believe that promotion could be gained in N2 if a manager shows the ability to develop himself and his subordinates (Item 16). 90.5% of them see that consistent high quality achievement contributes to promotability. On the other hand, the respondents reported that seniority is not related at all to promotion and that social and personal influences play a very minor role in promotional decisions in this bank.

The contribution of managerial career planning and development is highly regarded by all the participating managers (Item 19) and 90.5% of the participants believe that this bank's career development scheme has helped their development as a manager.

For the most part, there are very few differences between what has been concluded from the interview which reflects the official perspective and what has been reported by the surveyed managers on the organisation's practices in relation to managerial career planning. Below are some comments made by them concerning all the processes of career planning. A Bahraini manager in his early thirties wrote "I received training over the past three years before my promotion last year. I also completed my advanced

diploma in banking and at present I am attending an advanced management diploma course at the University of Bahrain".

A senior managers says that "Managerial potential assessment and promotion decisions might be influenced by social ties, but not in my department".

Another comments "I hope not?! that promotion can be gained by social backup"

These remarks may indicate that social influences on a manager's career planning and development are possible, but are not accepted nor welcomed by the managers.

The managers' views on performance appraisal procedures are presented in Table 7.5 some significant points that emerge from the analysis are discussed in the following paragraphs.

The main aims of the performance appraisal in N2 as maintained by the sample's answers can be put in the following order. Firstly, to assess training needs with 90.5% of the managers agreeing with Item 9. Secondly, the aim to grade previous performance with 85.7% of the managers supporting it. Thirdly, two aims are selected by 81% of the sample, specifically, to help managers set future targets as well as to determine bonus payments. Lastly, to assess promotion prospects as an aim of the appraisal was selected by 66% of the participants.

Although all the managers believe that their performance is openly appraised, still 95.2% of them see it as chiefly the responsibility of superiors (Items 4, 11 & 12).

A great majority of the sample (i.e. 95.2%) believes that performance appraisal plays a major and positive role in managerial career development. The executives feel that managers performance is objective and minimally influenced by social and personal relationships. This contrasts with the training managers views that subjectivity of the performance judgements is his major concern in the process.

Table 7.5: Managers' Perception of Performance Appraisal Practices (n=21) N2

NO	STATEMENT	TRUE		DON'T KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	My performance is formally appraised at least once a year	21	100	0	0	0	0
2	My performance is appraised if promotion or training is considered	15	71.4	1	4.8	5	23.8
3	My performance is usually appraised by myself	3	14.3	0	0	18	85.7
4	My performance is usually appraised by my immediate superior	20	95.2	0	0	1	4.8
5	My performance is usually appraised by the personnel department	0	0	0	0	21	100
6	One of the main aims of the appraisal is to grade past performance	18	85.7	1	4.8	2	9.5
7	One of the main aims of the appraisal is to help in setting future targets	17	81.0	0	0	4	19.0
8	One of the main aims of the appraisal is to determine bonus payment	17	81.0	0	0	4	19.0
9	One of the main aims of the appraisal is to assess training needs	19	90.5	0	0	2	9.0
10	One of the main aims of the appraisal is to assess promotion prospects	14	66.7	3	14.3	4	19.0
11	I usually discuss my appraisal with my superior	21	100	0	0	0	0
12	Performance appraisal is confidential	0	0	0	0	21	100
13	The appraisal objectivity is influenced by social and personal relationships	1	4.8	5	23.8	15	71.4
14	I believe that the appraisal process helps management development	20	95.2	0	0	1	4.8

One manager comments that "Appraising the performance of managers is not an easy task by any means. Therefore, the results of the appraisal should not be taken as final in judging, especially poor, performances. But further investigations should be carried out by the department

concerned to find the underlying reasons and to take corrective measures rather than demand punishment".

Management training policy and activities

Here the managers were asked about the actual time they had spent on training in the twelve months prior to this study, their knowledge of the organisation's training policy and the future opportunities available to them, and how their organisation conducts management training. The results are as illustrated in Table 7.6.

It is evident from illustration that the majority of managers (85.7%) have reported attending a varying number of days. The largest percentage (38%) have spent more than 15 days on training, 23% have attended between 11 and 15 days of training and the same number have participated in training for 1-5 days and only 14.3% have not had any training. These results confirm the attention paid by this organisation to the development of its human resources in general as reported by the interview earlier, where the interviewee stated that "success is not only a result of developing systems. but requires the development of your human resources as well".

In many other parts the managers views coincide with the interview results. For instance, the majority of the managers have reported their knowledge and awareness of the organisation's training policy and the future training schemes applicable to their cases. Again, the dominant role of the superiors in deciding subordinates career planning and development, i.e. 100% of the managers agree that their immediate superiors are involved

in deciding their participation as well as evaluating and discussing their training experiences.

The selection for management training has been seen to be tied to both current job as well as future development needs by the same number of respondents (85.7%). Furthermore, the majority of the participants have disagreed that selection for training is subject to social and personal ties (i.e. 81%) and 71.4% of them reject that training is available to a selected few. One manager puts it "the selection for training is closely related to current job and future development, and consequently developing the managerial skills in current positions and to qualify for future higher positions".

Table 7.6: Managers' perception of management training activities (n=21) N2

NO	ITEMS.	Frequency				%	
1.	Number of days spent on training over the last 12 moths						
	None	3				14.3	
	1-5	5				23.8	
	6-10	5				23.8	
	11-15	0				0	
	Over 15	8				38.1	
	TOTAL	21				100	
NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
2	Information on training policy is always available to me	16	76.2	3	14.3	2	9.5
3	Information on future training is always available to me.	17	81.0	2	9.5	2	9.5
4	I am always involved in my training decisions	17	81.0	1	4.8	3	14.3
5	My immediate superior is always involved in my training decisions	21	100	0	0	0	0
6	Managerial training is decided by the personnel department	7	33.3	1	4.8	13	61.9
7	I usually discuss the objectives of training with my superior before participation.	15	71.4	1	4.8	5	23.8
8	I usually write a report on my return from training	17	81.0	1	4.7	3	14.3
9	I always discuss my training experience within the organisation	18	85.7	0	0	3	14.3
10	My selection for training is closely related to my current job needs	18	85.7	0	0	3	14.3
11	My selection for training takes future development needs into account	18	85.7	1	4.8	2	9.5
12	Management training is available to a selected few	3	14.3	3	14.3	15	71.4
13	Selection for management training is subject to social and personal ties influence	2	9.5	2	9.5	17	81.0
14	The amount of training offered to me is sufficient	9	42.9	3	14.3	9	42.9
15	In my opinion, management training improves managers' performance	21	100	0	0	0	0
16	In my opinion, management training improves organisations performance	21	100	0	0	0	0

As for the sufficiency of the offered training, managers were equally divided in this respect, 42.9% think the present amount of training is enough and 42.9% feel more training is required. This situation could be explained in two ways.

Firstly the position of those who think that the current management training level is not adequate can be justified by the fact that the managers believe that training contributes positively to both managers as well as organisations performance which is evident from their answers to Items 15 and 16. Another possible explanation, is implied in this comment by a manager regarding management training.

"Management training should take a broader and more general approach. I mean a manager should be trained not only on functional-related specialities, but he should be exposed to a variety of training to enable him to work in different positions and under varying circumstances".

Secondly, the opinions of those who think the amount of training is sufficient might be substantiated by the comments of two managers. The first remarks that "We have a very good training system, and plans that are reviewed every year for all departments and staff at all levels. Most of my department staff benefited a lot from this during the last 3-4 years including myself".

The second observes that "since I joined this bank in 1987, I have been given a lot of training and development opportunities in and outside Bahrain, which enables me to replace one of the expatriate managers in 1991 as a department head. I am very pleased with the bank training policy and the way it is handled."

To summarise the situation of management development in N2, it seems that this organisation has learnt from a crisis that human resources development in general and management training and development in particular, are essential to its success and competitiveness. Therefore, it has established and launched a comprehensive system to plan and develop its managers' careers to enable them to deal with the present and to be prepared for the future.

Its management development policy centred around an overall objective "to develop national staff to their full potential in line with the organisations requirements".

- I. It has introduced many systems to cater for this task and devoted considerable resources to attain its objective.
- II. Managers' careers are planned according to pre-defined schemes and training is provided to support these systems.

7.4 CASE THREE N3

N3 appeared third on the banking scene in Bahrain. It was established in 1957 with the distinction that it was the first national bank. As a result it gained the support of both the Government of Bahrain and most of the prominent merchant families (Presley and Wilson, 1991). Hence the BD 32 million (£51.2 million) paid capital is almost completely owned by these two parties where the Government owns 49% and the individuals own 46% of the capital. The remaining 5% is owned by Non-Bahraini shareholders.

Despite the fact that this bank comes second behind N2 in terms of capital, it is the largest commercial bank in Bahrain in respect of both its employment's size as well as the number of branches. It employs 440 people of whom 95% are Bahraini nationals and operates 23 branches in Bahrain.

This organisation is registered as a share holding company and managed accordingly by a board of directors at the highest level. While, at the executive level, the general manager and chief executives, his deputy and two assistant general managers are in charge. The firm is divided into four main business units, i.e. Consumer Banking, Private Banking, Commercial Banking and Corporate Banking. Furthermore, there are six specialised support and service units to backup and strengthen the business units (N3 Annual Report, 1991).

Each of the above mentioned organisational units is run by either an assistant general manager or a senior manager. In total, however, there are 55 managers and supervisors and 80% of them are nationals . Thirteen are senior 20 middle managers and 22 first line managers and supervisors.

7.4.1 The Official Perspective

The official position of N3 on management development is mainly derived from an interview with a personnel and training manager. He has been working for this firm for more than twenty years and been the head of the personnel department for nearly five years. Further evidence is sought from other secondary sources such as annual reports

and application and appraisal forms to draw a picture of the bank's views and approaches to developing its managerial talents. The top management's attitudes towards human resources development, in general, could be deduced from this statement:

"In an increasingly specialised environment, staff training is of greater importance than ever before. We emphasise employee development and place high priority on training opportunities". (N3's Annual Report, 1991;20)

The above statement clearly indicates a positive outlook in relation to training and development in this organisation. Further explorations of the actual practices are discussed below.

Human and Managerial Resource Planning

Despite being the oldest national bank N3 has no formal and systematic human resource planning in general. However in 1992 it commissioned one of its senior managers to examine and report to its top management on the need for and the possible cost of introducing a generic human resources planning procedure. The personnel manager stresses that:

"In fact we do human resources planning, but we do it out of our personal experience. For example, I am not a specialist but I am doing it out of 20 years experience in personnel and training. Nonetheless, we are going to hire a specialised person to organise the human resources function and recommend related procedures very soon".

Furthermore, job description and job specification are seen to serve job evaluation and confined to determining compensation scales and job grading.

In relation to managerial career planning in N3, from recruitment and selection to appointment and/or promotion, there is no comprehensive system. The organisation has only 25% of its current managerial capacity total internally promoted and the rest have been recruited from external sources. The choices between internal or external recruitment sources are not determined beforehand and are dependent on the levels of the vacant managerial post. Evidence can be found in this statement:

"We prefer internal promotion to fill vacant supervisory and managerial jobs. Should we be unable to find a suitable candidate from within we usually place an advertisement in the local press or seek the help of specialised agencies e.g. "head hunters". For instance, marketable securities and investment managers are very few and hard to track down in Bahrain".

The main methods that are used in external recruitment are:

- i. press advertisement for the local labour market;
- ii. specialised agencies, "head hunters", for international recruitment; and
- iii. personal contact through the organisations managers acquaintances

The last method appears to be the most dominant according to the interviewee "I could say that the organisations managers' personal contacts contribute in more than 90% of the external recruitment cases. You know that Bahrain is very small".

In recruiting and selecting new managers past experience, English language and professional qualifications are given preference by this organisation. English language is viewed to be essential for managerial candidates because most, if not all, business correspondences are in English. Whereas previous experience and professional qualifications are seen to be of great significance in enhancing the managers' profession.

This could be ascribed to the bank's belief that professionalism is of paramount value in attaining high standards of achievement and customer service. This attitude is clearly stated in the annual report.

"Our people must demonstrate the competence to execute transactions for the consumer and large institutional clients alike" (N3's Annual Report, 1991:20)

and, by the interviewee:

"For managerial levels, 5 years minimum experience plus B.Sc. or BA. Lets say for a chief dealer we cannot offer him a job without proper experience (5 years) even if he has a postgraduate degree. It is a combination of both which makes a person a good professional and manager".

Furthermore, the interviewee believes that candidates for managerial positions have to have the skills and abilities to work both independently (without supervision) and co-operatively in teams.

Selection decisions are grounded on the results of a panel interview. The panel composition depends on the level of the intended vacancy. Usually they include the personnel manager, the immediate prospect superior of the recruit and two other senior managers. Top management occasionally get involved in the process and its approval is fundamental in finalising the selection of a candidate. These are the stages of external recruitment and selection.

Internal recruitment and promotion, on the other hand, are chiefly grounded on the results of previous performance appraisal results as well as informal potential assessment. Managers' promotability prospects are assessed by the personnel department through a profiling procedure which contains a detailed account of the manager's qualifications, experience and length of tenure and previous appraisal records.

Managers' performance is appraised once a year by their immediate superiors. A standardised check-list form is used and blank spaces are provided for the superior's comments and recommendations. Primarily, superiors evaluate the appraisee's work quality and quantity during the 12 months preceding the appraisal time. Therefore, the main objective of the appraisal is to grade the appraisee's past performance. The interviewee expressed that by saying "we appraise managers to determine their achievement levels over the last 12 months".

Nonetheless, he adds that training needs, merit payments and promotion prospects are also considered. The main methods used to decide on promoting a manager to a higher position is done through a "competitive rotation" where two or more managers are assigned to a vacant job for a period of 3-6 months each. Then, they report to a higher level management team to judge their achievements. After that one of them would be selected for promotion and appointed to the job. Nevertheless, other criteria are considered before taking a promotion decision, namely managers ability to develop themselves and seniority or "experience" as referred to by the respondents.

Generally speaking, top managers play the major role in deciding almost all managerial career processes from recruitment and selection to potential assessment and promotion in N3. The exception to this, is performance appraisal and discussion where the main players are the appraisee and the appraiser.

From the interview it can be concluded, at this stage, that managerial career planning in this organisation is liable to the following impediments:

- i. insufficiency of specialists in human resources planning which entails non-systematic approaches to managerial career planning and permits the use of subjective criteria in the various processes of recruiting and selecting managers (e.g. personal acquaintance);
- ii. - the intervention of some socio-cultural factors (e.g. favouritism, nepotism and intermediation) in the process from both the organisation's members as well as from influential individuals from outside. In this regard, the respondent acknowledges such influences, although indirectly:

"Yes, if someone who is well-known to our top managers such as a general manager of another bank, calls us recommending an applicant we would take that into consideration".

This is how the firm plans its managers careers. One can now examine its approaches to management training and development.

Management Training Policy and Activities

The actual practices and activities of management training in N3 can be contrasted with what has been declared in the annual report and what has been realised from the interview. In the annual report the organisation stresses the significance of training, in

developing its staff and the personnel and training manager declares that there is a high degree of need for training to produce the right types of managers to cope with a rapidly changing banking market. Yet, this bank has no defined or written management training policy that could guide its management training activities or determine its overall managerial development's philosophy. Consequently, management training is treated in an intermittent and reactive manner. The respondent, however, does not acknowledge they do not have a established training policy and argues that the bank is a leader in the field of management training *"we are number two, if not number one"*. While he freely admits that there is no fixed programme to send managers on training courses, especially off-the-job and external training.

"We receive brochures from so many different training institutions on subjects related to banking services such as operation, treasury and marketing. These brochures are then distributed to the departments concerned to decide what is of value to them and nominate some of their staff, if necessary. These nominations are discussed by a training committee that decides the sort of training a manager could participate in".

When asked about the criteria on which this committee bases its decisions he replies "we do not have any criteria at this stage. We are reviewing the careers of our managers to set some criteria, but it depends mainly on immediate needs of the manager as decided by his department and approved by the training committee".

One can say at this stage that external and off-the-job training activities are ad hoc practices. Nonetheless, managers of this organisation, have participated in a variety of external training both in Bahrain as well as abroad. Moreover, the BIBF short intensive

courses are utilised, but mainly for functional-related skills. Very few short intensive courses abroad are offered and are primarily for top managers. The reason appears to be the high cost of such training programmes according to the respondent. Another form of off-the-job training is in-house training. This type of training is conducted to familiarise departmental staff with new functional-related methods.

"In-house training is practised to familiarise a certain department's employees, collectively with new methods or techniques to improve their awareness of these new instruments in doing their jobs. This is done in-house outside of working hours".

On the other hand, internal training takes only the form of on-the-job training due to the fact that this organisation does not have a training centre. Coaching and monitoring by bosses, although unplanned, are used especially for orienting newly appointed supervisors. This type of training composes the only form of on-the-job training, but it has to be said here that this form is only applied to junior managerial positions.

Training evaluation is unsurprisingly very limited in this organisation. Apart from the training committee's approval of training attendance, no assessment of training contribution to participants' current or future careers is carried out beforehand. However, post training evaluation takes one of two forms (a) feedback from the training institution if the training programme lasts for three months or more; (b) a written report by the participant on his return from short training sessions.

In contrast with the previous two organisations (N1 and N2) this bank does not have the same regard to management training. In this respect the interviewee believes that

training contributes to the organisational performance to a limited extent "I would say that management training may help in improving organisation's performance, but only to some extent".

In addition to this, this organisation, despite the fact that it is the oldest national bank, the biggest in terms of retail banking market share, i.e. 23 branches, and the second largest in terms of capital, it has no training facilities belonging to it nor a training system that governs its management development activities and a limited budget allocated for training.

It can be deduced at this point that the organisation's management training and development activities are constrained by the following organisational factors;

- i. lack of top management support and interest in the training undertaking;
- ii. the lack of defined training policy that could set the rules for training needs assessment, lay the criteria for selecting managers for training courses and decide on training priorities;
- iii. the lack of training facilities and the limited budget allocated for training activities.

Externally, the training of managers in Bahrain according to the interviewee faces the following barriers:

- i. training course that are offered by training institutions in Bahrain are theoretically oriented and suitable only for refreshment but not practical as the interviewed manager responds;
- ii. the high cost of management training is seen to be at least to some degree, another obstacle especially training that is held abroad.

The above is an account of the organisation's position and attitudes towards, management training and development. Next, the focus will be on individual managers' views of the management development and training practices within N3.

7.4.2 The Manager's Perspective

24 managers from this organisation have completed and returned the questionnaire. Bahrainis form 88.3% of the sample and 87.5% are males. The distribution of their age is as follows: i) 33.3% fall into the "25-34" years category; ii) 41.7% fall into the "35-44" years category and; iii) 20.8% are 45-54 years of age.

As for their academic and professional backgrounds, the largest number of the subjects (i.e. 33.3%) have a secondary school certificate or lower, 25% have a diploma, 16.7% have a university degree and 25% have some sort of postgraduate qualification. The fact that 58.3% of the managers have less than a university degree disproves the interviewee's affirmation that a university degree is a prerequisite for managerial selection. Nonetheless, the "5 year experience" condition on managerial appointments is surely maintained where 91.7% of the respondents have been in general employment for 10 years or more and 75% of them have been working for this bank for 10 years or more.

The 24 managers can be distributed, according to their answers, into three managerial levels: 29.3% are senior executives, 58.3% are middle managers and 12.5% are supervisors and junior managers.

Given the above characteristics of the sampled managers, their views, attitudes towards and experiences of the actual management development activities within their organisation are explored and presented below.

Managerial career planning

An illustrated picture of N3's procedures in planning its managerial careers, as experienced and reported by the surveyed managers, is depicted in Table 7.7.

The vague situation, regarding the bank's activities in planning and fulfilling its managerial requirements, that is detected from the interview with the personnel manager, can be without much difficulty noted in the answers of the surveyed managers. That is to say that the majority of the respondents (87.5%) do not agree or are unaware that managerial careers are planned and only 12.5% agree. Further evidence is that the same percentage of the respondents are either undecided or do not perceive any systematic programme in assessing managerial potentials. Furthermore 58.4% of the respondents are uncertain if the bank's managerial needs are planned in advance or not.

However, the majority of the respondents, although in varying patterns, have supported the interviewee's affirmation that the top management and immediate superiors play determined roles in assessing the managers future potential.

External sources are seen by 79.2% of the managers to be the main source in filling vacant managerial positions, despite the fact that 95.8% of them have reported that

they have reached their present position as a result of internal promotion. This could be attributed to the fact that 60% of the organisation's top managers (i.e. General Manager, Deputy General Manager and Assistant General Manager) have been externally recruited. Furthermore, if the General Manager is excluded then the percentage will rise to 75%.

Table 7.7 Managers' perceptions of managerial career planning practices (n=24) N3

NO	ITEMS	TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	All managers future careers are planned	10	41.7	11	45.8	3	12.5
2	Managerial career at all levels are systematically developed.	10	41.7	6	25.0	8	33.3
3	Managerial potential is assessed according to scientific techniques	3	12.5	14	58.3	7	29.2
4	Managerial potential is assessed by top management	20	83.4	2	8.3	2	8.3
5	Managerial potential is assessed by immediate superior	12	50.0	0	0	12	50.0
6	Managerial potential assessment is influenced by social relationships	12	50.0	5	20.8	7	29.2
7	Managerial recruitment needs are planned in advance	10	41.7	10	41.7	4	16.7
8	Internal recruitment is a main source of the managerial job	5	20.8	6	25.0	13	54.2
9	External recruitment is a main source of the managerial job	19	79.2	4	16.7	1	4.2
10	There is always a trained successor to fill future vacancies	10	41.7	2	8.3	12	50.0
11	All qualified candidates have equal selection opportunity	6	25.0	9	37.5	9	37.5
12	Training is always provided before managerial placement	14	58.3	0	0	10	41.7
13	I believe that managerial selection is influenced by social relations	12	50.0	2	8.3	10	41.7
14	Promotion is gained by achieving consistent high quality results	16	66.7	2	12.5	5	20.8
15	Promotion is gained through seniority	3	12.5	4	16.7	17	70.8
16	Promotion is gained by ability to develop self and subordinates	19	79.2	2	8.3	3	12.5
17	Promotion is gained by social back up	10	41.7	4	16.6	10	41.7
18	I have been promoted to my present job from within	23	95.0	0	0	1	4.2
19	I believe that managerial career development contribute to organisations' performance	22	91.7	2	8.3	0	0
20	In my opinion the career development scheme has helped my development as a manager	14	58.3	5	20.8	5	20.8

Internal management recruitment sources, on the other hand, are viewed to have minimal contribution to the organisation management structure. Promotion to higher

managerial posts according to the majority of the managers is linked to two main factors - namely ability for self-development and high quality achievement.

Notwithstanding, the managers have noticed that cultural factors have some bearing on all the managerial career planning processes in this organisation. They have reported that potential assessment, internal recruitment and promotion and selection opportunities and decisions are subject to social and personal affiliations (see Items 6,11,13 and 17 in Table 7.7). Yet, the majority of the managers have agreed that the bank's career development activities have contributed to their own development as managers. A more impressive number of the managers surveyed (i.e. 91.7%) believe that managerial career planning and development contribute greatly to the organisational performance. This at least, signifies that a great majority of the managers possess a positive attitude towards such activities.

In respect of the bank's practices in appraising manager's performances, the overall results are in line with the earlier findings from the two previous cases, see Table 7.8. That is to say that managerial performance is appraised annually by their immediate superiors. Nevertheless, the priorities of the process according to the respondents are (a) to determine bonus payment; (b) to the appraisee to set future targets; (c) to assess promotion prospects; (d) to grade previous performance, and (e) to assess the appraisee's training needs. This, despite the majority belief that the appraisal process helps management development.

Another puzzling finding is the contradiction between the managers' responses to questions 11 and 12, while 83.3% of the managers agree that they usually discuss their appraisal with their superiors, 58.3% have reported that the appraisal process is confidential. This could be explained by the beliefs of some managers that the appraisal results could be changed after the discussion without the appraisee's knowledge. In this respect, one manager comments that "yes you are allowed to see the grading of your performance and sign the form, but are not allowed to see the written report that accompanies the form".

Another manager has expressed that there is no definite way to guide the way the appraisal is carried out "There is no uniform system here to be followed in the performance appraisal, but it is dependent on the appraising superior to discuss the appraisal result with the appraisee or not".

Again, the majority of the participants have sensed that the objectivity of the appraisal is influenced by the social and personal ties.

What could be extracted here is that the lack of a systematic methodology in planning the careers is felt by the managers. It is not a strange outcome in an organisation that merely depends on the experience of non-specialised individuals to carry such a critical duty, i.e. human and managerial resources planning.

Further explorations of N3 managers' perceptions of training and development activities which are made available to them are considered next.

Table 7.8 Managers' perception of performance appraisal practices (n=24) N3

NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
1	My performance is formally appraised at least once a year	23	95.8	0	0	1	4.2
2	My performance is appraised if promotion or training is considered	4	16.7	8	33.3	12	50.0
3	My performance is usually appraised by myself	7	29.2	0	0	17	70.8
4	My performance is usually appraised by my immediate superior	17	70.8	2	8.3	5	20.8
5	My performance is usually appraised by the personnel department	1	4.2	2	8.3	21	87.5
6	One of the main aims of the appraisal is to grade past performance	12	50.0	6	25.0	6	25.0
7	One of the main aims of the appraisal is to help in setting future targets	15	62.5	7	29.2	2	8.3
8	One of the main aims of the appraisal is to determine bonus payment	18	75.0	4	16.7	2	8.3
9	One of the main aims of the appraisal is to assess training needs	11	45.8	3	12.5	10	41.7
10	One of the main aims of the appraisal is to assess promotion prospects	14	58.3	6	25.0	4	16.7
11	I usually discuss my appraisal with my superior	20	83.3	0	0	4	16.7
12	Performance appraisal is confidential	14	58.3	2	8.3	8	33.3
13	The appraisal objectivity is influenced by social and personal relationships	13	54.2	3	12.5	8	33.3
14	I believe that the appraisal process helps management development	23	95.8	1	4.2	0	0

Management Training Policy and Activities

The amount of training and the way the training activities are administered in this organisation as perceived by the 24 managers are examined in this section. The managers' responses are illustrated in Table 7.9

The amount of training which is offered to N3's managers in terms of number of days spent on training during the year prior to the study is the least in comparison to the cases studies discussed so far. 66.7% of the surveyed managers have had no training, 20.8% have attended training experiences that last 1-5 days and 12.5% have spent between 6-10 days of training in the 12 months that preceded this survey.

Not surprisingly, the majority have no knowledge of the training policy nor of the future training opportunities. This is due to the fact that the bank does not have a policy on management training and no definite plans of the future training. However, they take what is on offer in the training market, so to speak.

The lack of prior arrangement of the training exercises and the lack of communication of future training opportunities have given the immediate bosses the upper hand in deciding the type, the duration and the priority of any participation in any training for their subordinates. Although the interviewee did not mention pre-training evaluation, a considerable proportion of the managers have indicated some sort of pre-training discussion of the programme's objectives with their superiors. However report writing is optional evaluation method and 37.5% of managers acknowledge that they have someone within the organisation to share their training experience with. One managers puts it "although there are few training chances that I have participated in recently, it is very occasionally that I have been asked about my training experience and if it happens it is informal".

Most of the sampled managers believe that selection for training is closely linked to their current job requirements (70.8%) and future development needs (54.2%). Here the functional related training orientation of the organisation has been reflected on the managers attitudes towards the objectives of management training.

According to the opinions of 91.7% of the managers management training improves both the managerial as well as organisational performance. Yet half of the managers have expressed their dissatisfaction with the amount of training which is offered to them by this organisation in this period.

The social and personal influences on the decision of selecting and sending managers to training are felt by 45.8% of the population.

To summarise N3's practices in the field of management development and training from both perspectives. One can say that:

1. Despite being the oldest and the biggest national bank, N3 does not have a systematic methodology to plan and develop its management resources.
2. Dependence on mere experience and dealing with such a crucial organisational function on a trial and error basis has resulted in a state of confusion among managers.

Few management training opportunities are available in this bank. It is evident from the high percentages of managers who have had no training (i.e. 66.7%) in the past year, and those who have expressed that the available amount of training is not enough (i.e. 50%).

Table 7.9: The managers' perception of management training activities (n=24) N3

NO	ITEMS.	Frequency				%	
1.	Number of days spent on training over the last 12 months						
	None	16				66.7	
	1-5	5				20.8	
	6-10	3				12.5	
	11-15	0				0	
	Over 15	0				0	
	TOTAL	24				100	
NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
2.	Information on training policy are always available to me	6	25.0	2	8.3	16	66.6
3	Information on future training are always available to me.	4	16.7	8	33.3	12	50.0
4	I am always involved in my training decisions	7	29.2	2	8.3	15	62.5
5	My immediate superior is always involved in my training decisions	17	70.8	4	16.7	3	12.5
6	Managerial training is decided by the personnel department	7	29.2	8	33.3	9	37.5
.7	I usually discuss the objectives of training with my superior before participation.	11	45.8	0	0	13	54.2
.8	. I usually write a report on my return from training	7	29.2	2	8.3	15	62.5
9	I always discuss my training experience within the organisation	9	37.5	3	12.5	12	50.0
10	My selection for training is closely related to my current job needs	17	70.8	3	12.5	4	16.7
11	My selection for training takes future development needs into account	13	54.2	9	37.5	2	8.3
12	Management training is available to a selected few	15	62.5	5	20.8	4	16.7
.13	Selection for management training is subject to social and personal ties influence	11	45.8	2	8.3	11	4.8
14	The amount of training offered to me is sufficient	7	29.2	5	20.8	12	50.0
15	In my opinion, management training improves managers' performance	22	91.7	0	0	2	8.3
16	In my opinion, management training improves organisations performance	22	91.7	0	0	2	8.3

7.5 Case Four F1

Bank F1 is a subsidiary of a large multinational organisation which has vast banking and financial operations in more than 15 countries world-wide and a paid capital of £100 millions. However, the paid capital of the Bahrain office is BD three millions (£4.8 millions), (F1's Annual Report, 1991).

In the history of banking in Bahrain F1 comes second. Its banking services commenced in 1944. The need for a second bank was crucial to cater for the then growing economic activities in the Gulf region after the end of the second World War. The rapid development of the oil industry in Bahrain and the expanding trade in the Gulf had helped the bank to acquire a licence from the authorities (Presley and Wilson, 1991).

At the time of this study the bank employed 201 people of whom 84% are Bahrainis. Its retail banking services are delivered through a main office and two branches. F2's management team consists of a general manager, two assistant general managers and 30 other executives, managers, staff officers and supervisors. Bahraini nationals form 80% of the managerial staff. Although the local management team has full responsibility for the bank's performance, the overall policies and business strategies are formulated at the parent company and communicated to the various regions. The headquarters of this international organisation is located in Hong Kong where the board of directors reside.

7.5.1 The Official Perspective

The official view of this bank on its management development activities is mainly based on an interview with a personnel manager. Extra data sources such as annual reports, appraisal and application forms were consulted as well.

Unlike the national banks the annual report of this organisation contains no reference to the training and development of its human resources. Nonetheless, a statement by the Chairman in the 1991 annual report praises the "integrity" and "professionalism" of the bank's staff, yet he does not give any account of how the staff have reached this level of professionalism. Was it planned or accidental? Was it a result of experience or training, or was it a combination of the two? This is what the following section aims to investigate and explore.

Human and Managerial Resource Planning

General policies regarding human resource planning are issued at the head office by a central human resources department and communicated to all offices. Job descriptions and specifications are also formulated in the head office. Nonetheless, the Bahrain office does not have a clear system to plan its local employment needs, but carries out an annual estimate in line with the central guidelines. The interviewee appears very conservative in discussing the effects of the guidelines on the local human resources activities. But explains the situations in that *"this is a foreign bank and we have to observe the directives of the parent company"*.

In respects to the main sources of managerial recruitment and selection, the organisation utilises both internal and external sources. The personnel manager indicates that internal promotion from within is given preference, but also says that only 13% of the current managers were recruited from within the Bahraini office.

Due to the fact that F1 is a small unit of a large international organisation internal advertising is a main method internal recruitment for a job which can not be filled from the local unit. For external recruitment on the other hand press advertisements, specialised agencies and previous applications are the main methods. Further, the personal acquaintance of the bank's manager are considered in recruiting new or potential managers. The interviewee puts it this way:

"Yes, recommendations from our managers to recruit people with potential to fill managerial posts is taken into account in external recruitment".

In recruiting managers F1 favours managerial candidates and applicants with

- i. a combination of previous experience and management related university qualifications;
- ii. good command of the English language;
- iii. an ability to work in teams.

The reason for this emphasis according to the interviewed manager is

"if you take someone with experience only, he might be good in doing the present job, but would not have the potential for future advancement".

Applicants with postgraduate degrees are not sought by this bank because they will *"cost more"* and *"will not stay long with the bank"*.

Selection decisions are taken by top managers based on results of and recommendations from an interview that is conducted by a committee consisting of two or three senior managers and the personnel managers.

The interviewee realises that insufficient number of personnel specialists is a main problem that faces long term planning but, he relates it to bank's limited operation in Bahrain and its size .

"To be honest with you, we do not have long term plans for our managerial needs. This is mainly due to the fact that we have a limited number of managerial jobs. Furthermore, the small size of the bank does not require all sorts of personnel specialities".

In regard to social connections from within the bank, although denied to have any bearings on recruitment and selection, their influence can be gathered from the following statement by the personnel manager:

"Social ties influence is there, but our emphasis is on the applicant's ability and qualifications regardless of his social association or relations with the bank's members. For this reason, we avoid recruiting relatives to avoid future complications".

According to the interviewed executive, a number of external factors have some constraints on the bank's options in recruiting and selecting managers either directly or indirectly. The choices are directly subject to: a) a limited number of professionally qualified individuals due to the theoretical nature of the education system and scarce

management training institutions; and b) a fierce competition among the financial organisations in a labour market with limited resources.

He explains that by saying:

"It is hard to find well qualified individuals to fill managerial jobs in Bahrain because of two main factors. The first is the academic orientation of the universities education and the limited number of management training centres. The second is the fact that there are about 200 financial institutions competing for well-experienced people".

However, indirect societal variables are:

a) the socio-cultural element such as social pressure that results from a close social relation. "*Wasteh*" is very common in the Arab society and Bahrain is no exception.

The personnel manager believes that:

"[Wasteh]intermediation exists in our society and anyone who denies its existence would be lying. This social phenomenon could be an advantage some times. You may save money in receiving "recommendations" from a well known person. But we do not take it for granted, we process all applications through our system and judge applicants on their merit. Bearing in mind that you have to be polite to people".

b) the legal-administration where Bahrainization requirements have to met. He expresses the difficulty that results from the employment legislation:

"It is not easy to balance your employment statistics to meet Bahrainization requirements without sacrifices".

In this bank the managers' performance is appraised once a year, mainly to measure their past performance. An appraisal form is used to assess both operational competence and managerial skills. The managerial skills as are stated in the appraisal form are related to supervisory abilities, interpersonal skills and leadership traits. The interviewee points out the following as the main objectives of the appraisal process:-

- i. to determine annual increments
- ii. to create communication between appraisers and the appraisee i.e. bosses and subordinates".
- iii. to assess training needs, and
- iv. to assess promotion prospects of the appraisee.

From the discussion with the personnel manager it seems that the lack of well defined performance targets, has caused some difficulties and allowed these differences to surface between the appraisers and the appraisees. Furthermore, he accepts that some personal and social factors may be involved in the process.

"The main problems in the appraisal process as I see them are; first, there is a mismatch between some appraisees' expectations and appraisers' rating . The second there are some differences among the appraisers in appraising their subordinates. Some are hard, others are soft, just like judges. The last problem is the subjectivity of some people. This I assume is due to human nature."

The results of the appraisal play a major role in assessing the managers' future potential and in determining their promotions. Nevertheless, the manager's ability to develop him/herself and his/her subordinates is highly valued as a promotion criterion.

No systematic schemes to assess managerial potential nor defined succession planning programmes are practised in this organisation. Consequently managerial promotion in F1 is based on two main criteria:

- i. the result of performance appraisal; and
- ii. superior and higher management judgement.

Management Training Policy and Activities

F1's management training and development policy aims to fulfil two main objectives according to the interviewee. First, to improve manager's performance in their present jobs and second, to develop the organisation's managerial resources to meet future vacancies. The policy which is adopted in Bahrain is mainly drawn from the parent organisation's overall policy. It is evident that the main objectives of the policy emphasise only the upgrading of job-related managerial staff; yet wider understanding of the major aspects of the banking business, and the major environmental variables that concern the organisation are not provided for in the policy. The existence of the policy is known to all the organisation members, but not in a detailed way, the interviewee argues that:

"All our employees are aware of the existence of the management training and development policy. The senior managers and departmental heads have a complete and detailed account of the policy. However, I do not believe that junior managers and supervisors need to know the minute details".

The personnel manager was not sure of the degree of need for management training in his organisation. However, he agreed that there is a need but claims that the need is of a medium degree unlike the previous cases where all have seen a high degree of

need for management training. Nonetheless, he enumerates the following reasons for management training:

- I. -It is a policy requirement that all manager's and staff have to go into training to improve their performance on their jobs.
- II. -To improve customer services in a competitive and changing market "*highly skilled staff are imperative resources*".
- III. Learning by doing, "*experience*", is not adequate to develop the desired type of managers and it takes longer.

Management training and development needs in F1 are diagnosed mainly in the light of the performance appraisal by the immediate superiors. This practice is not comprehensive nor generic. That is to say that the absence of a systematic needs assessment procedure has led the bank's staff to believe that training is an annual ritual.

The personnel manager explains this general attitude by stating that:

"Training needs are assessed by direct superiors and managers. Managers and departmental heads should assess their staff's training needs annually through the appraisal. We also send the BIBF list of training courses to all departments. Then we decide on our training needs for the year".

Again the emphasis on current job needs constitute the main criterion in selecting managers to participate in training programmes. However, future development needs are considered if the manager is expected to be moved to another job.

Off-the-job training has been indicated to be the main form of management training by the interviewee. On-the-job training on the other hand is confined to rotation

and cross-posting. "*Cross-posting*" is a training method where a manager is seconded to another region or to a different office in the same region to do a higher or different job to acquire new skills then return to his original workplace. This form of on-the-job training seems to suit this multinational organisation.

Various off-the-job management training opportunities are available to the managers in this organisation. The personnel manager maintains that, short management courses in Bahrain as well as abroad are provided to the bank's managers. In addition, special management training programmes are supplied by the regional training centre which serves the Middle East region. The firm's training policy does not specify a given number of training days per year .

Managers who participate in any training are required to fill a post-training evaluation form and state in writing their impressions of the experience.

The personnel manager, although believing that training positively contributes to any organisation's performance, was not very enthusiastic and believed that training of managers contributed only to some extent to the organisation. The basis for his argument is that:

"It is very difficult, if not impossible, to measure the benefits that may result from management training and help organisation's performance. Yet, we send our managers to training hoping that it will enhance their work and help to improve the organisation performance".

The interviewee admits that inability to assess top managers' training needs and to some extent budget limitation are the main internal obstacles to management training. He remarks:

“In certain managerial levels, mainly top levels, we are not sure of their training needs, because they are always busy and cannot spare the time to attend training. In addition most of the courses that are available in Bahrain do not meet our managers' needs and sending them abroad is expensive in both senses [i.e. money and time]”.

From the above remarks, it seems clear that the mismatch between what is offered by training institutions and top managers' requirements and the high cost of management training abroad are seen as main impediments to management training .

The personnel manager rated his organisation above average in the field of management training in comparison to other banks. He argues that the emphasis on training by the organisation's headquarters is a factor that supports his point. Furthermore, the company has a fully quipped regional training centre that provides training for its staff. The training centre is located in Dubai, United Arab Emirates, and serves the region's offices in Bahrain, Qatar, and Saudi Arabia. The centre is managed by a team and report directly to the head office in Hong Kong.

The previous discussion covered how F1 deals with planning and developing its managerial talents based on an interview with the personnel manager; next the views of 17 individual managers on the same subjects presented.

7.5.2 Managers' Perspective

The Managers' views that are investigated here are based on the response of 17 managers of various personal and job-related backgrounds. 88.2% of the participants are Bahrainis. Females account for 41.2% of the respondents and this is the highest percentage of female participants among the five cases. As for the age of the respondents, all of them have fallen into the youngest two age categories, specifically, 47.1% are 25-34 years and 52.9% are 35-44 years of age. In relation to their managerial positions the respondents are distributed into 29.4% senior , 23% middle and 47% junior managers. In terms of their academic qualification 29.4 possess a university degree , 11.8% have a secondary school or less whereas the majority (58.8%) hold diplomas. The subjects' length of service with F2 varies from up to 10 years (41.2%) to 11-20 years (47%) and more than 20 years (11.8%).

Bearing in mind the above characteristics of the managers who have represented F1 in this study, in the next sections their responses to statements that are related to management training and career planning and development are gathered and analysed. The main objective is to explore their views and experiences as they reflect on the real practices of this bank in management development.

Managerial Career Planning

The managers' perceptions of their organisation activities in planning and developing managerial career are presented in an aggregate account in Tables 7.10.

Revealing indecisiveness in the managers' answers to the first three statements the majority remain either disagree or do not believe that managerial career planning activities are dealt with in a clear and proper manner. This state of uncertainty on the managers' side can be related to the lack of long term planning and to the limited communication of the policy to senior managers only. One very experienced senior manager clearly sums up the situation of management training in this bank in this statement:

"although management training features very highly in our organisation, it has yet to be pre-planned with long term objectives in mind. We seem to react to our needs of management rather than engage in long term planning".

The reactive fashion in catering for the organisation's managerial needs could explain the results of questions 7, 10 and 12, where only 41.2% of the managers agreed that the organisation plans its recruitment needs (Item 7), 52.9% believe that no succession planning is taking place in the bank (Statement 10) and, only 35.3% support the view that training is a prerequisite to managerial placement (Item 12).

The top managers' influential role in deciding the future potential of managers seems to be noticed by a great majority of the participants. It can be argued here that, due to the fact that the largest number of managers observed the absence of an objective mechanism (i.e. scientific rating techniques, Item 3), top managers and immediate superiors are seen by the majority of the respondents to have the upper hand in deciding the potential of managers (Items 4 and 5). This awareness might have led the largest number of the managers to believe that managerial potential assessment is subject to the influence of social and personal ties.

The fact that internal promotion is seen by more than 70% to be the main source in filling vacant managerial posts can be explained by another feature of the sample. That is that more than 88% of them have reached their present job as a result of promotion from within

According to approximately 65% of the managers, promotion decisions are based on two elements. The first is the manager's ability to constantly achieve high quality results and the second is showing the ability to develop self and subordinates.

Table 7.10 Managers' perceptions of managerial career planning practices (n=17) F1

NO.	ITEMS	TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	All managers future careers are planned	5	29.4	9	52.9	3	17.6
2	Managerial career at all levels are systematically developed.	5	29.4	8	47.1	4	23.5
3	Managerial potential is assessed according to scientific techniques	6	35.3	4	23.5	7	41.2
4	Managerial potential is assessed by top management	9	52.9	4	23.5	4	23.5
5	Managerial potential is assessed by immediate superior	13	76.5	2	11.8	2	11.8
6	Managerial potential assessment is influenced by social relationships	7	41.2	2	11.8	8	47.1
7	Managerial recruitment needs are planned in advance	7	41.2	8	47.1	2	11.8
8	Internal recruitment is a main source of the managerial job	12	70.6	2	11.8	3	17.6
9	External recruitment is a main source of the managerial job	3	17.6	3	17.6	11	64.7
10	There is always a trained successor to fill future vacancies	5	29.4	3	17.6	9	52.9
11	All qualified candidates have equal selection opportunity	5	29.4	3	17.6	9	52.9
12	Training is always provided before managerial placement	6	35.3	3	17.6	8	47.1
13	I believe that managerial selection is influenced by social relations	8	47.1	1	5.9	8	47.1
14	Promotion is gained by achieving consistent high quality results	11	64.7	3	17.6	3	17.6
15	Promotion is gained through seniority	1	5.9	1	5.9	15	88.2
16	Promotion is gained by ability to develop self and subordinates	11	64.7	6	35.3	0	0
17	Promotion is gained by social back up	6	35.3	1	5.9	10	58.8
18	I have been promoted to my present job from within	15	88.2	0	0	2	11.8
19	I believe that managerial career development contributes to organisations' performance	17	100.0	0	0	0	0
20	In my opinion the career development scheme has helped my development as a manager	11	64.7	3	17.6	3	17.6

There is a unanimous consensus among the sampled managers that managerial career development positively contributes to an organisation's performance. Yet only

64.7% of them agreed that their organisation's career development scheme has helped their development as managers.

At this point, it might be of some interest to highlight some of the managers' observations in relation to the involvement of social and personal influences at the various stages of managerial resources planning practices in this organisation:

1. At the recruitment and selection stages 52.9% of the managers think that qualified managerial candidates do not have equal opportunity to be selected (Item 11). Nonetheless, their reactions are equally divided when they are asked if they see any social or personal influences involved (Item 13).
2. At the stage of assessing managerial future potential the largest number of the sample believe that social and personal ties have some input on the process (Item 6).
3. At the promotion stage, the majority have rejected the notion that social backup is considered in promotional decisions.

The managers' perceptions and views of performance appraisal and its objectives, the people involved in the process, its value in relation to managerial career development and the social factors impact on it are examined. A complete account which summarises the sample views is presented in Table 7.11.

Table 7.11 Managers' perception of performance appraisal practices (n=17) F1

NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
1	My performance is formally appraised at least once a year	17	100	0	0	0	0
2	My performance is appraised if promotion or training is considered	1	5.9	3	17.6	13	76.5
3	My performance is usually appraised by myself	0	0	0	0	17	100
4	My performance is usually appraised by my immediate superior	17	100	0	0	0	0
5	My performance is usually appraised by the personnel department	0	0	2	11.8	15	88.2
6	One of the main aims of the appraisal is to grade past performance	10	58.8	2	11.8	5	29.4
7	One of the main aims of the appraisal is to help in setting future targets	8	47.1	6	35.3	3	17.6
8	One of the main aims of the appraisal is to determine bonus payment	6	35.3	2	11.8	9	52.9
9	One of the main aims of the appraisal is to assess training needs	10	58.8	4	23.5	3	17.6
10	One of the main aims of the appraisal is to assess promotion prospects	12	70.6	3	17.6	2	11.8
11	I usually discuss my appraisal with my superior	16	94.1	0	0	1	5.9
12	Performance appraisal is confidential	6	35.3	1	5.9	10	58.8
13	The appraisal objectivity is influenced by social and personal relationships	7	41.2	2	11.8	8	47.1
14	I believe that the appraisal process helps management development	17	100	0	0	0	0

The managers are equally divided in their views of the social ties influence (Item 13). For example, one manager uses a highlight pen to express his agreement with the statement. Nevertheless, all the respondents believe that the appraisal process helps management development activities.

One Bahraini female from a middle management position praises the appraisal process in this bank in this way:

"Managerial performance appraisal, here takes into consideration all the above points (Statements) and allows both the manager and his superior to discuss the manager's performance and to decide future targets and training which may be required to develop the manager and improve his/her future performance".

Management Training Policy and Activities.

The participants answers to the questions in this section, which covers management training activities, are summarised in Table 7.12.

From the Table it is clear that a great majority of the managers (64.7%) have spent a varying number of days attending management training. This puts this bank second to N2 in terms of percentage of managers who have participated in management training in the 12 months that preceded this study.

The majority of the managers have reported that information on both management training policy and future training opportunities is always available to them (Item 2 and 3). This finding is consistent with the personnel manager's confirmation that the policy objectives are communicated to senior and departmental managers since 53% of the sample are senior and middle managers.

From the managers' answers to Items 4 and 5 it seems that the managers, although involved in the decisions that are related to their training to some degree, their superiors appear to be more frequently involved in the training decision-making process. This situation might be seen as another indication to the influential roles of top managers and superiors in determining managerial career development.

The managers' overall response indicates that some sort of discussion takes place before training. This contrasts with the interviewee's account approximately 53% of the managers ascertain that they usually discuss the objectives of any training with their superior before participation, whereas, the interviewee indicates that no pre-training evaluation is practised. Yet the post training evaluation and report writing by participants on their return from training that is mentioned by the personnel manager is sustained by the answers of the majority of the respondents.

Selection for management training takes both present job needs and future development of the managers according to most of the sample managers. Yet 41.2% of the participants believe that management training is available to a selected few and 47.1% of them think the selection is subject to social/personal influences.

Table 7.12: The manager's perception of management training activities (n=17) F1.

NO	ITEMS.	Frequency				%	
1	Number of days spent on training over the last 12 months						
	None	6				35.3	
	1-5	2				11.8	
	6-10	5				29.4	
	11-15	1				5.9	
	Over 15	3				17.6	
	TOTAL	17				100	
NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
2	Information on training policy is always available to me	9	52.9	2	11.8	6	35.3
3	Information on future training is always available to me.	9	52.9	1	5.9	7	41.2
4	I am always involved in my training decisions	10	58.8	0	0	7	41.2
5	My immediate superior is always involved in my training decisions	12	70.6	3	17.6	2	11.8
6	Managerial training is decided by the personnel department	5	29.4	4	23.5	8	47.1
7	I usually discuss the objectives of training with my superior before participation.	9	52.9	0	0	8	47.1
8	I usually write a report on my return from training	4	23.5	0	0	13	76.5
9	I always discuss my training experience within the organisation	12	70.6	0	0	5	29.4
10	My selection for training is closely related to my current job needs	10	58.8	0	0	7	41.2
11	My selection for training takes future development needs into account	15	88.2	2	11.8	0	0
12	Management training is available to a selected few	7	41.2	3	17.6	7	41.2
13	Selection for management training is subject to social and personal ties influence	8	47.1	2	11.8	7	41.2
14	The amount of training offered to me is sufficient	1	5.9	2	11.8	14	82.4
15	In my opinion, management training improves managers' performance	15	88.2	1	5.9	1	5.9
16	In my opinion, management training improves organisations performance	15	88.2	1	5.9	1	5.9

An interesting point that is supported by 82.4% of the managers is that the amount of management training that is offered to them is not sufficient. This view (i.e.

insufficiency of the amount of training) can be explained by their positive attitudes toward the significance of management training for both individual managers as well as organisations as indicated by their responses to Items 15 and 16. One Bahraini manageress expresses her opinion of the value of training with some reservations, as follows: "in my opinion, training is a means to improve managers' performance and as a result organisations can benefit, but all that depends on the organisation's climate as well as some individual characteristics such as age, interest in training, and self-development, and ability to learn new knowledge and skills".

The practices of management training and development in F1 are apparently influenced by the central directives that are issued by the parent company without due considerations for local circumstances. Another factor that might constrain this activity is the limited number of human resources professionals within the bank. Furthermore, although F1 is a foreign organisation, the Bahraini social institutions, i.e. social relationships, seem to have some impacts on its management development procedures. This situation can be explained by the fact that most of its managerial staff are Bahrainis who can not be divorced from their social obligations, i.e. helping their relatives and abiding by other social values. The role of top managers is also prominent in influencing decisions related to managerial career planning and development.

7.6 Case Five: F2

F2 is a regional unit of a huge multinational banking group. The group's total capital amounts to more than 1,000 million pounds and has a world-wide network of over 700 offices spanning more than 50 countries (The Group Annual Report, 1992). Nonetheless the regional unit has a capital of BD 6.743 (£10.8 millions).

The unit under investigation in this study is the Bahrain office (i.e. F2) of this group. F2 was the first Western banking institution on the Arab side of the Gulf which opened on 1st July, 1920 in Bahrain (Presley and Wilson, 1991). Although the opening of this bank was mainly politically motivated, it has played an important role in financing the foreign trade of the Gulf region where Bahrain was the commercial centre.

The Bahrain office is of a medium size in comparison with similar banks in Bahrain with 275 employees and 5 branches. 98% of the bank total employment are Bahraini nationals. The managerial staff, on the other hand, are 46 of whom 77% are Bahrainis. F2 top manager reports directly to the group chief executive.

7.6.1 The Official Perspective

The organisation's stand on management development activities are elicited mainly from an interview with the Bahrain office personnel manager. However, additional information is gathered from various bank's documents.

At the highest level (i.e. group level) personnel affairs in general are dealt with by a Board Personnel Committee. This committee is mainly responsible for formulating strategies for the group's overall human resources requirements. The existence of this committee at this level may indicate the organisation's commitment to its human resources planning and development. Another evidence of the bank's interest can be concluded from this statement from the group annual report.

"Human resource management and training continues to be a priority. Over 30,000 people work for the Group in more than 50 countries and it is imperative that reward strategies and succession planning and management development are appropriate and effective". (The Group Annual Report, 1992: 6).

Against the above background the actual practices of management career planning and development in F2 are investigated in detail in the next section.

Human and Managerial Resource Planning

As a subsidiary of a multinational organisation , F2 plans its human resources in accordance with the Group's guidelines. The interviewee asserts that all the managerial and non-managerial jobs are classified centrally and a five year plan for the office human resources requirement is initiated locally, but has to be approved by the central Personnel Strategy Committee. Then a final co-ordinated 5 year plan is communicated to the various offices.

The personnel manager stresses that apart from top managers most of their managers' careers are well planned and developed locally and argues that more than 70%

of their current managerial capacity have reached their present jobs as a result of internal promotion. Top managers and some senior managers are, on the other hand, transferred from other Group's offices or recruited from other organisations. He further explains:

"If you mean by internal source the Groups as a whole then I would confidently say that more than 70% of all our managers are internally recruited".

It is clear from the above statement that internal sources are given priority and preference over external sources in managerial recruitment and selection. Nevertheless, the interviewee sees the level of the managerial post as the main factor that influences the choice between internal or external sources. He explains further that:

"As a foreign bank top managers [the general manager and his first deputy] in most cases come from abroad either through transfer from other offices or by external recruitment. Selection decision for these positions are usually made at the headquarters".

External recruitment is employed to fill other managerial jobs only if the needed capacity cannot be found within the office. Usually the organisation uses the following methods:

- i. Press advertisement for external recruitment
- ii. Job-watch circular for recruitment from within the group, and
- iii. Personal acquaintance of the organisation's managers.

Although applications from all the sources are dealt with in the same way and all candidates have to go through interviews, applicants from within the group are given priority. An interviewing committee, which is composed of four executives (i.e. a deputy general manager corporate banking, personnel manager, staff relations manager and the

potential superior), is authorised to make the selection decisions. The interviewee underlines that previous experience, good command of the English language and university degrees in management or related subjects are highly valued in selecting new managers.

The personnel manager acknowledges that some contextual factors influence the bank recruitment policy in Bahrain. Firstly, he points out that the limited Bahraini market and instability of the Gulf region's economies cause some hardship in predicting their future employment. He uses the recent Gulf Crisis as an example where they have to revise their recruitment plans. Secondly, he indicates that intermediation "*Wasteh*" is common in Bahrain and that on both the part of the organisation's members and the public in general, people try to help out some applicants but as a foreign bank this phenomenon is controlled and kept to its minimum the interviewee affirms. Finally, he sees that the employment regulation is another factor that needs to be observed and Bahrainization requirements ought to be met.

On the other hand, internal recruitment is not carried out according to a clear policy, but is conducted by higher managers. The executive interviewed argues that there is no need for internal advertisement nor for inter-departmental discussion to recruit managers or would-be managers in a small organisation like ours where every person is well known to the bank management. Nonetheless, he stresses that:

"The internally recruited candidates will not be selected or promoted automatically to managerial jobs or a higher managerial level. But it depends on vacancies in the first place and candidates abilities, skills and previous employment achievements have to be scrutinised".

The scrutiny appears to be linking of promotional decisions to the annual performance appraisal standard and a quarterly report by superiors on their distinguished subordinates who display a high potential for future promotion.

The respondent reveals that they appraise their managers' performance annually employing a standardised form. This appraisal aims fundamentally at:-

- i. rating the appraisee's previous performance;
- ii. assessing his promotion prospects, and
- iii. determining his training needs.

Appraisers have to discuss the completed form with appraisees, however, the appraisees are not allowed to see the written report that accompanies the appraisal form. The personnel manager justifies this secrecy:

"The appraisee is not allowed to see the report made by his superiors, especially in the case of promotional and/or remuneration recommendations that could not be met. This is only to avoid frustration to the appraisee and embarrassment to the appraiser".

In this bank, according to the respondent, social and personal ties are kept under control and their influence is minimal on the appraisal process. However, he notices that their internal recruitment and promotion practices are not subjective free where the potential assessments are left to higher managers personal judgements and no objective methods are used:

"Future managerial potential is subject to error since this process is solely dependent on superior's personal estimation".

Another internal factor that restricts the promotion process is the size of the organisation which results in limited promotional chances.

The legal administrative factor is seen by this bank to be a positive element that assists in planning their internal recruitment and promotion to meet Bahrainization targets. In the next section, we try to explore how this banks approaches the training and development of its managerial personnel.

Management Training Policy and Activities

F2 does not have a training policy of its own, but the Group's management training policy has been adopted. The major objectives of the policy that are disclosed by the interview are:

- i. to produce managers among the Group's employees to fill higher positions in the future;
- ii. to improve the managers awareness of all major aspects of banking;
- iii. to qualify current managers at all levels to meet future vacancies.

The interviewee admits that the bank's training policy is communicated only to senior managers and some departmental heads (i.e. branch managers). The reason behind this is that these are the responsible people to decide on training needs and select participants to go into training. In other words, the concerned departmental heads decide on the training needs of their subordinates because they are the ones who know their weakness and strengths.

"The concerned departments are responsible for assessing their training needs for managers and staff. Therefore, all future training courses and programmes are directed to senior managers and departmental heads to choose what suits their staff. The BIBF and the Group's training brochures on future courses are made available to the people who decide".

The personnel manager believes that management training is an essential element in enhancing the performance of both individual managers as well as the organisation. Consequently the respondent considers that the need for training is not only high but continuously on the increase. Despite his presumption that his organisation is at the top of the training ladder in comparison with other banks in Bahrain, the personnel manager thinks that the following are the main causes behind management training:

- i. the pace of development in banking technology and management methods,
- ii. the fierce competition over skilful managers in the banking section in Bahrain, and
- iii. experience alone is not adequate in developing the desired type of manager.

He argues further that:

"It is the Group policy that each staff member has to spend 9 days per year on training to avoid subjective criteria".

Managers here are selected for training on three bases. The first is their current job need. The second is their future development needs and the third is to meet the legal-administrative requirements which demand the training and development of Bahraini nationals.

Management training in this bank appears chiefly to take the form of off-the-job training, while on-the-job training is not considered training as such but according to the

manager interviewed "*a duty of each superior to guide his subordinates in their daily work*". This certainly indicates that the importance of on-the-job training is either neglected or taken for granted in this organisation.

However, various off-the-job training opportunities are provided for the managers by this bank. Short intensive courses are held within the bank's training facilities. Local training courses in Bahrain, especially at the BIBF are utilised, as well as participation in short management training courses organised by the Group world-wide. The bank is sponsoring two executives who are attending an MBA programme abroad. Training experiences are usually evaluated by the participant after attending the courses by a report when they return to their work.

The respondent believes that management training contributes to a great extent to the bank's performance. However he admits that the interview made him aware of the fact that their training practice lacks a systematic way of assessing the managers training needs. Furthermore, he realises that some of the bank's managers do not appreciate training and he blames that on the limited chances for advancement in the organisation and that managers expectations for promotion as a result of training are unrealistically high.

The bank has a good training facility. A fully equipped training and seminar centre with one full time training specialist and an administrator. Six senior managers Do some training on a part time basis. The centre is managed by the personnel department and the annual training budget amounts to a quarter million pounds.

7.6.2 The Managers Perspective

In this section we shift from the organisational perspective to the views of the individual managers regarding their experiences of the actual management development practices within their organisation. The sample, in this case, comprises nineteen managers with various personal and job-related backgrounds, Bahraini nationals form 63.2% of the surveyed managers and 94.7% are male. All respondents fell into the youngest three age categories, i.e. 36.8% fall into the 25-34 age group, 42.1% fall into the 35-44 category and the rest are in the 45-54 age group.

In terms of subjects' academic records 26.4% of them have secondary school certificates, 36.8% have a two years college diploma and 31.6% have obtained a university degree.

In respect to their employment experiences within and outside the current bank, 90% of them have been in employment for more than ten years. 58% of the managers have been with this bank for more than ten years. The managers sampled represent three managerial levels, 26.4% of them are senior managers, 31.6% are middle managers and 42% junior managers. The data comes from responses to survey questions. First, the participating managers awareness of managerial career planning activities in F2 are elicited and discussed. Secondly, the managers' perception of management training issues are examined.

Managerial Career Planning

An aggregate account of the participating managers' responses to the survey's statements that are related to managerial career planning is presented in Table 7.13.

The great majority of the sample either do not know of or do not perceive any real planning of managerial careers in this bank. Almost, the same percentage of the managers are unaware of any prior planning of the organisation's future managerial need (Items 1, 2, 7 and 10). This apparently contrasts with the personnel manager's claim that *"all managers careers are well planned"*. It could be argued here that this situation might have resulted from the limited dissemination of the organisation's management development policy. It was revealed by the personnel manager that the policies are communicated only to senior managerial levels. However, there are many other points that are shared between the two parties, i.e. the interviewee and the majority of the respondents. Firstly, regarding potential assessment the majority of the sample agree that managers' future potential is assessed by immediate superiors and top managers which is consistent with the interviewee assertion (items 3-5). Secondly, more than half the managers surveyed believe that qualified managerial candidates have equal opportunities to be selected and the personnel manager stresses that "there is no exception; all candidates have to pass through a panel interview before they are considered for selection. Thirdly, all the respondents seem to be promoted from within to their present positions which confirms the organisation's preference for internal sources in recruiting and selecting managers as it is argued by the personnel manager (Items 8, 9 and 10).

Table 7.13 Managers' perceptions of managerial career planning practices (n=19) F2

NO	ITEMS	TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1	All managers future careers are planned	7	36.8	7	36.8	5	26.3
2	Managerial career at all levels are systematically developed.	6	31.6	8	42.1	5	26.3
3	Managerial potential is assessed according to scientific techniques	5	26.3	7	36.8	7	36.8
4	Managerial potential is assessed by top management	14	73.7	4	21.1	1	5.3
5	Managerial potential is assessed by immediate superior	16	84.2	2	10.5	1	5.3
6	Managerial potential assessment is influenced by social relationships	6	31.6	2	10.5	11	57.9
7	Managerial recruitment needs are planned in advance	7	36.8	8	42.1	4	21.1
8	Internal recruitment is a main source of the managerial job	10	52.6	4	21.1	5	26.3
9	External recruitment is a main source of the managerial job	1	5.3	5	26.3	13	68.4
10	There is always a trained successor to fill future vacancies	6	31.6	4	21.1	9	47.4
11	All qualified candidates have equal selection opportunity	10	52.6	6	31.6	3	15.8
12	Training is always provided before managerial placement	6	31.6	4	21.1	9	47.4
13	I believe that managerial selection is influenced by social relations	7	36.8	3	15.8	9	47.4
14	Promotion is gained by achieving consistent high quality results	17	89.5	1	5.3	1	5.3
15	Promotion is gained through seniority	4	21.1	3	15.8	12	63.2
16	Promotion is gained by ability to develop self and subordinates	15	78.9	2	10.5	2	10.5
17	Promotion is gained by social back up	3	15.8	3	15.8	13	68.4
18	I have been promoted to my present job from within	19	100	0	0	0	0
19	I believe that managerial career development contributes to organisations' performance	17	89.4	1	5.3	1	5.3
20	In my opinion the career development scheme has helped my development as a manager	13	68.4	2	10.5	4	21.1

Finally, the social and subjective personal factors are seen by the overall majority of the subjects to have limited bearing on the process of managerial resources planning

and these views have been adopted and defended by the interviewee (Items 6, 11, 13 and 17).

A Bahraini middle manager makes the following comments:

"Sometimes managerial selection is influenced by social ties and business connections".

Another Bahraini manager who has been working with the present employer for more than five years says:

"In some cases, selection is based on subjective criteria not on individual merit".

Generally speaking, the participants believe that the bank's career development scheme has helped their development as managers. Furthermore, they have a high regard for managerial career planning and its contribution to the organisation's overall performance where almost 90% of them believe that managerial career planning and development contribute greatly to the performance of the organisation.

An examination of the subjects' responses to questions that are related to the process of performance appraisal, reveals that there is to a large extent, a congruence between what has been reported by the interviewee and the overall perception of the sample. That is to say, that the managers agree that their performance is appraised once a year and that their immediate superiors are the chief players in this process. Furthermore, there is an agreement concerning the objectives of the appraisal, but not an absolute. While the personnel manager sees that rating the previous performance as the number one objective followed by determining the managers' promotion prospect, the overall majority

of the respondents rate determining the manager's promotability as the number one objective followed by previous performance rating and helping the appraisee to set future targets (Items 6-10). The partial confidentiality of some aspects of the appraisal process (i.e. withholding the written report from the appraisee) that is admitted by the interviewee seems to be noticed by 36.8% of the surveyed managers.

According to the largest number of the respondents the objectivity of performance appraisal is not influenced by the social and personal ties which sustain the interviewee's words. Yet one manager remarks that "in some cases and by few individuals" social and personal relationships might have some bearing on the objectivity of the process.

Table 7.14 Managers' perception of performance appraisal practices (n=19) F2

NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
1	My performance is formally appraised at least once a year	17	89.5	0	0	2	10.5
2	My performance is appraised if promotion or training is considered	4	21.1	2	10.5	13	68.4
3	My performance is usually appraised by myself	3	15.8	0	0	16	84.2
4	My performance is usually appraised by my immediate superior	18	94.7	1	5.3	0	0
5	My performance is usually appraised by the personnel department	1	5.3	1	5.3	17	89.5
6	One of the main aims of the appraisal is to grade past performance	13	68.4	3	15.8	3	15.8
7	One of the main aims of the appraisal is to help in setting future targets	13	68.4	1	5.3	5	26.3
8	One of the main aims of the appraisal is to determine bonus payment	8	42.1	4	21.1	7	36.8
9	One of the main aims of the appraisal is to assess training needs	8	42.1	3	15.8	8	42.1
10	One of the main aims of the appraisal is to assess promotion prospects	14	73.7	1	5.3	4	21.1
11	I usually discuss my appraisal with my superior	17	89.5	0	0	2	10.5
12	Performance appraisal is confidential	7	36.8	3	15.8	9	47.4
13	The appraisal objectivity is influenced by social and personal relationships	5	26.8	5	26.8	9	47.4
14	I believe that the appraisal process helps management development	19	100	0	0	0	0

Having discussed the managers awareness of their organisation's conduct in relation to managerial career planning and performance appraisal, next their impressions about management training activities are explored and investigated.

Management Training Policy and Activities

The managers' views on the training activities and opportunities that they are aware of are statistically described in Table 7.15.

From the first statement it is clear that although the majority of the subjects have attended varying numbers of training days in the last 12 months, the largest group (42.1%) have attended no training at all. This is in direct conflict with the interviewee claims that "it is a policy guideline that every staff member has to spend at least nine days on training per year".

The majority of the managers appear to have a good knowledge of both the training policy and the future training chances (Items 1 and 2). This contrasts with the information gathered from the interview that indicates that information on the bank's training policy reaches only senior and departmental needs. It might be understood by the fact that the same percentage of the sample is from these managerial ranks. In line with all the cases the immediate superiors play the prominent role in deciding the training of their subordinates.

The evaluation of training as seen by the respondents takes two forms. Pre-training briefing and post training reports which should be written by the participant on their return from any training exercises, while the interviewee stresses only post training evaluation.

The sampled managers perceive two main reasons for managerial training. The first is to help them perform their current jobs better and the second, which is seen by the same number, is to prepare them for future development. The subjects are equally divided when asked if training was available only to a selected few (Item 12). Yet, the majority believe that selection for training is not subject to social and personal preference (Item 13).

It is no surprising that very few managers are satisfied with the amount of training provided if two variables are considered. The fact that 42.1% of the managers attended no training (Item 1) and the overwhelming appreciation of the value associated with the training by the managers (Items 15 and 16).

Table 7.15 The managers' perception of management training activities (n=19) F2.

NO	ITEMS.	Frequency				%	
1	Number of days spent on training over the last 12 months						
	None	8				42.1	
	1-5	3				15.8	
	6-10	3				15.8	
	11-15	2				10.5	
	Over 15	3				15.8	
	TOTAL	19				100	
NO	ITEMS	TRUE		DON'T KNOW		FALSE	
		Freq.	%	Freq.	%	Freq.	%
2	Information on training policy is always available to me	10	52.6	3	15.8	6	31.6
3	Information on future training is always available to me.	10	52.6	3	15.8	6	31.6
4	I am always involved in my training decisions	9	47.4	1	5.3	9	47.4
5	My immediate superior is always involved in my training decisions	15	78.9	0	0	4	21.1
6	Managerial training is decided by the personnel department	7	36.8	1	5.3	11	57.9
7	I usually discuss the objectives of training with my superior before participation.	12	63.2	0	0	7	36.8
8	I usually write a report on my return from training	13	68.4	1	5.3	5	26.3
9	I always discuss my training experience within the organisation	6	31.6	4	21.1	9	47.4
10	My selection for training is closely related to my current job needs	16	84.2	1	5.3	2	10.6
11	My selection for training takes future development needs into account	16	84.2	0	0	3	15.8
12	Management training is available to a selected few	7	36.8	5	26.3	7	36.8
13	Selection for management training is subject to social and personal ties influence	4	21.1	3	15.8	12	63.2
14	The amount of training offered to me is sufficient	5	26.3	4	21.1	10	52.6
15	In my opinion, management training improves managers' performance	19	100	0	0	0	0
16	In my opinion, management training improves organisations performance	19	100	0	0	0	0

At this point, it seems appropriate to highlight the paramount features of this case in related to management development practices:

- I. F2 as a subsidiary has to abide by the parent company guidelines in relation to the planning of its human resources in general and its managerial resources in particular.
- II. As a foreign organisation top managers are usually recruited and selected by the head office and in most cases from outside Bahrain.
- III. The size of the bank's operation in Bahrain seems to be a determining factor in its managerial career planning and development
- IV. This bank has experienced less pressure from the socio-cultural factors in respect to its managerial recruitment and selection. This can be attributed to its foreign status.
- V. Again its management training policy is initiated at the Group's main office.
- VI. The training policy is communicated only to senior and upper middle managers.
- VII. There is no systematic method in assessing the training needs of the managers, but training is decided by each department subject to what is available and on offer from training institutions both locally and internationally.
- VIII. Off-the-job training is the main form of management training that is practised in this bank, while on-the-job training is left to the superiors.
- IX. By and large, most of the managers views that are extracted from the survey are consistent with the information elicited from the interview. However, the large number of the subjects surveyed disagreed with the interviewee in relation to the number of training days each staff member is supposed to attend that is according to the personnel manager are included in the policy guidelines.

7.7 Summary

The practices of management development in Bahrain are examined in the previous sections. Five cases are used to illustrate how management development is approached. Special attention is paid to exploring the socio-cultural influences on various aspects of this process. Each organisation's practices are considered separately from two

different perspectives, i.e. from the organisational as well as the individual managers' standpoints. There are differences as well as similarities among the five banks in regard to their practices. However in most of the cases systematic approaches to management development are lacking. In the next chapter an overview of these similarities and differences are discussed further.

CHAPTER EIGHT

MANAGEMENT DEVELOPMENT PRACTICES IN BAHRAIN BANKS: AN OVERVIEW

8.1 Introduction

The analyses of the case studies in the previous chapter indicate that, despite their different characteristics (viz. size, country of origin and general managers' nationality), the banks shared many features in relation to the patterns of management development that they adopt. For instance, the following presumptions are common in all the banks:

- i. managerial positions that become vacant and cannot be filled from within are easily accommodated from external sources by “*good financial offers*”;
- ii. successful bankers will make good managers;
- iii. the emphasis on previous experience in banking as a prime criterion in recruiting and selecting new managers; and
- iv. the socio-cultural influence on management development is felt by all the bank though to varying degrees.

On the other hand, their practices are not significantly affected by any of these characteristics as had originally been expected. That is to say, these elements appear to have no direct bearing on the way management development is approached. For instance, N2 and N3 are of the same size, both are local banks, and have Bahraini general managers, however they differ substantially in regard to their handling of management development. Furthermore, F1 and F2 are foreign organisations which have been

operating in Bahrain for more than fifty years and are managed by British general managers.

Indications of further differences have emerged from the analysis of the individual managers' responses to the questionnaire. The most visible contributor to such variances appears to be the respondents' gender. For instance, less than 20% of the females consent that managerial future careers are planned and systematically developed in their organisations, in contrast to 50% of their male counterparts. However it should be remembered that females account only for 18% of the sample.

More details of the findings from both the officials as well as the individuals' perspectives are presented in the next four sections. In the first section, findings that are related to human resources planning are introduced. In the second, similarities and differences between the banks and the individual managers in relation to particular aspects of managerial careers planning are considered. In the third, management training and development activities in the banks are discussed and, in the last the influences of some societal factors on management development are highlighted.

8.2 Human Resource Planning

Overall human resources planning is a main element in management development. It can be seen from the literature that for management development practices to attain a certain degree of success they ought to be closely tied to human resource planning (e.g. Hussey, 1985; Thornberry, 1987; Higgs, 1988; Vineall, 1991).

Job description is another element that contributes to the success of management development. This process clarifies the purpose, the nature and the relationships of the managerial job. Mumford (1989: 64) argues that:

"To attempt to develop managers for jobs whose purpose and nature are unclear, where the constraints and opportunities are unspecified and where the boundaries are undefined, is to risk losing both sharpness and commitment to any subsequent development process".

Through human resources planning and job analysis an organisation would be able to:

- i. assess its present requirements for managers - at least in terms of quantity;
- ii. establish a starting point for setting the objectives of any management training and development scheme to upgrade the present managerial capacity and to meet future needs;
- iii. set priorities and plans which will guide the individual appointments, attachments and training and development programmes;
- iv. to review and adjust, if necessary, these plans at certain intervals in accordance with changes in the corporate strategy.

Two principal findings feature some differences and some similarities between the banks in relation to human resource planning.

The first is that there is a complete omission of human resource planning in N1, occasional and irregular treatment of personnel requirements in N3, while F1 and F2 rely for the most part on their parent companies guidelines in this respect. N2 has a three year manpower plan to guide its employment programmes.

The second is the fact that job descriptions, although existing for all positions, are closely tied to remuneration and job classification, rather than to serve any developmental purposes as commonly advised.

The two findings can be explained by the following points.

- I. Indifference of top management towards this activity and their lack of interest in and support for manpower planning, let alone their involvement. Much evidence can be drawn from the interviews. The interviewees from N1 and N2 have blamed their previous top managers for the absence of such planning. In the other three, i.e. N3, F1 and F2 top managers' preoccupation with running the business operations is identified as the factor behind this negligence.
- II. Shortage of specialised expertise that is employed to manage human resource affairs is experienced by all the banks, except N2. It is easily noticed that most of the personnel managers have come from operational backgrounds to occupy their current positions with no proper preparation in the field. A good example is what the interviewee from N3 acknowledges: "I am not a personnel specialist, but I am doing it [the personnel job] out of twenty years experience with the bank". In addition, personnel departments seem to be understaffed in four of the five of the organisations. Some interviewees expressed their frustration with the inadequacy of staff, "as you see I am the only one dealing with personnel issues here". Others have accepted it and justify it by the small size of their organisations.
- III. All the banks felt that employment needs at any level that cannot be filled from within can be readily filled from outside whenever they arise by offering "*a good financial inducement*".
- IV. An important point which is gathered from the interviews and worth mentioning at this stage is that N1 and N3 are considering to introduce more systematic approaches to manage their human resources. Whilst the interviewees from F1 and F2 admit that any changes have to come from their head offices.

It can be concluded at this stage that there seems to be a lack of awareness of the importance of human resource planning as a fundamental organisational function in its own right and in its relation to management development and policy formulation.

Another element that appears to have notable consequences on the banks activities in the human resource and employment field is a legal administrative one. Specifically, the Bahraini Labour Law Act 23/1976 which promotes the nationalisation of the work force in the private sector. Hence, in the five organisations surveyed Bahraini nationals compose almost 90% of the work force, and at the managerial levels Bahrainis exceed 75% in all the banks.

8.3 Managerial Career Planning

Recruitment and selection, performance appraisal, potential assessment and succession and promotion planning are activities that should be considered in any management development systems and should be connected to overall human resources arrangements. These activities are interrelated and complementary, hence it is preferable that no one of them is considered as an independent process.

The above processes are examined in this research to explore how managerial careers are planned and managed in the Bahraini banking sector and how the data gathered is related to management training and development. The foci here are on the methods used, the people involved and the perceived socio-cultural influences on each of

the processes. However, a broad conclusion that can be drawn from the five cases is that no clear schemes are used in planning and developing managerial career in four of banks.

This scarcity of career planning is felt by the individual respondents as well and is evident from their overall reactions to a statement that is concerned with future managerial career planning (see Table 8.1).

The majority of the respondents (57%) either do not know of or do not see any career planning and development activities in their organisations. Nonetheless, there are further differences among the sample in this regard that can be related to their personal backgrounds. Females significantly differ from males in their perception of career planning. While 51% of the male managers agreed that managers' future careers are planned, only 15% of the females do.

The participants views appear to be influenced by their managerial levels, whereas more than half of the senior managers claim that managerial career planning is practised in their organisations. In contrast, only 32% of the junior managers in the sample perceive the existence of such activity. Middle managers position is in between, i.e. 46% of them agree with the statement.

Bahraini participants perception varies greatly from Non-Bahraini managers. Whilst 51% of Bahrainis believe that managers' future career are planned, in comparison to 19% of Non-Bahrainis.

The managers' educational backgrounds do not correlate with their perception of career planning and development practices.

The views of those from the oldest age group (45-54 years) are different from the views of those from the younger groups (25-34 & 35-44). That is to say that 69% of those from the oldest age group have reported that all managers future careers are planned in their organisation . Whilst the perception of the respondents from the two younger groups are similar, i.e. 42% and 38%.

As far as the length of service with the present employers is concerned, the managers' views of career planning vary accordingly. Very few of those managers with a service of six years or less (i.e. 27%) agree that managerial careers are planned. In contrast, 56% of those who have been with their present organisation for 7-11 years claim that managerial careers are planned. However, 47% of those with a service of more than eleven years have maintained that managerial careers are planned in their organisation (see Table 8.1).

Table 8.1: Managers perception of career planning (n=104)

The statement: All managers' future career are planned.							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%.	Frq	%
1. Overall		45	43	31	30	28	27
2. Gender	Male	43	51	25	29	17	20
	Female	3	15	9	48	7	37
3. Managerial level	Senior	17	52	8	21	9	27
	Middle	21	46	18	39	7	15
	Junior	8	32	9	36	8	32
4. Nationality	Bahraini	42	51	26	30	15	19
	Non-Bahraini	4	19	8	38	9	43
5. Education	Secondary school	9	41	10	45	3	14
	Two years diploma	19	53	11	30	6	17
	University degree	18	39	13	28	15	33
6. Age group	25-34	17	43	13	32	10	25
	35-44	18	38	17	35	13	27
	45-54	11	69	4	25	1	6
7. Length of service with bank	1-6	7	27	10	38	9	35
	7-11	15	56	7	26	5	18
	12+	24	47	17	33	10	20

8.3.1 Recruitment and selection

These two activities refer to procedures that are employed by an organisation to search and identify prospective managerial talents - usually from outside- and to select the most appropriate candidates. Such programmes should be initiated in light of the organisation's personnel records to detect any deficiency at any managerial rank. However the analysis of the case studies reflects the general lack of human and managerial resources planning outlined earlier. In particular the points below have emerged:

1. Four of the banks do not have specific schemes to guide their recruitment and their selection activities are rather reactive to needs occurrences. The exception is N2 which introduced a generic human resource planning and development system in 1988.
2. The most common recruitment methods used by the national banks are press advertisements locally for junior managers and internationally for top managers. In the two foreign banks managerial vacancies are usually reported to their head offices to be internally announced before reverting to external recruitment sources. However, in all the banks their managers' personal acquaintances are acknowledged as a common and to some extent forceful recruitment method. Further, none of the banks maintain any links with the local educational institution for recruitment purposes.
3. Previous experience in similar jobs and a good command of the English language are the most common criteria used in selecting new managers in all the banks. On the other hand, the emphasis on other qualifications varies between the banks. In N1 candidates with the BIBF Diploma are preferred over those with higher qualifications. In N2 applicants with university or postgraduate degrees in management are given priority over others. In N3, F1 and F2 university degrees in management or related subjects will enhance the recruiting selection chances. In regard to skills that are essential for successful managers, these appear to be almost the same in all the banks, namely ability to work in teams and ability to work independently. In N2, however, ability to work as on-the-job trainer was indicated as an important skill that is taken into account in the selection process.
4. Selection of managers in four of the banks is based on interviews conducted by a committee of 3-5 managers including the personnel managers and at least two senior managers from the division concerned. In contrast, N2 is the exception and all the selection stages from the interview to the final decision are in the hands of the top divisional manager, i.e. assistant general manager. Yet, all the selection decisions are usually made at the highest managerial levels in all the banks.
5. In relation to the socio-cultural influences on managerial recruitment and selection processes, the interviewees' positions were not very different. All of them accept the fact

that nepotism and favouritism are common phenomena in Bahrain. Yet, their views about the influences of these social elements on their organisations' recruitment and selection vary. In N2 and F2 the interviewees argue that these elements have limited consequences on their selection, while in the other three organisations the social and personal ties seem to have more impact.

This is also sustained by the individual managers views where the largest numbers of the managers' sampled in N2 and F2 disagree that selection of managers is influenced by social ties where the opposite is true in N1, N3 and F1. Nonetheless, the overall picture that arises from the questionnaire's analysis indicates that the largest number of the participants do not believe that qualified managerial candidates have equal selection opportunities and the same number thinks that managers' selection is influenced by social ties (see Tables 8.2).

Table 8.2: Managers' perception of social ties influence on managerial selection (n=104).

The statement: In my opinion managerial selection is influenced by social ties.							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1. Overall		40	38.5	14	13.5	50	48
2. Gender	Male	26	31	13	15	46	54
	Female	14	74	1	5	4	21
3. Managerial level	Senior	7	21	5	15	21	64
	Middle	21	46	5	11	20	43
	Junior	12	48	4	16	9	36
4. Nationality	Bahraini	34	41	11	13	38	46
	Non-Bahraini	6	29	3	14	12	57
5. Education	Secondary school	12	55	3	13	7	32
	Two years diploma	11	31	5	13	20	56
	University degree	17	37	3	13	23	50
6. Age group	25-34	18	45	4	10	18	45
	35-44	19	40	6	12	23	48
	45-54	3	19	4	25	9	56
7. Length of service with bank	1-6	8	31	6	23	12	46
	7-11	9	33	2	7	16	60
	12+	23	45	6	12	22	43

The above table measures the individual managers' reactions to a statements regarding social influence on the selection process. In the table the managers' position appear to vary in relation to their backgrounds. The most visible variations are associated with the respondents' sex in that males and females responses show a clear difference. Whereas 54% of the males disagree that managerial selection is subject to social ties, only 21% of the females do so. Another interesting conclusion is that the subjects' nationalities have contributed to their understanding of the social ties influence on the selection process. While 41% of the Bahrainis agree with the assumption that selection is

influenced by social and personal orientation, only 29% of Non-Bahrainis take the same position.

8.3.2 Performance Appraisal

The appraisal process denotes a review of managers' performance over a certain period of time. This process should not be confined only to previous performance rating and financial reward differentiation but should be extended to determine how the managers' performance can be improved. It can assist training needs and potential assessment. Thus, the appraisal constitutes an indispensable foundation for management training and development. Nevertheless the findings of this study have indicated that:

- I. Managers' performance is reviewed annually in four banks, however "N2" appraises its managers performance twice year.
- II. The appraisal review in all the banks applies to senior, middle and junior managerial levels but not to top managers where their performance is judged against the overall achievement of their organisation.
- III. In all the banks the main objective of the appraisal as seen by personnel managers is to measure the manager's previous performance. Nonetheless it is used as the main method to assess training needs and to determine managerial potential and promotion prospects in N3 and F2. In N1 the appraisal serves at best as guidance for self-development since it highlights performance weaknesses whilst no planned development exists. In N2 the appraisal's outcomes are combined with the Employee Potential Review Report (EPRR) and a competency-based skills checklist (see Case Two section 7.3.1) to assess managers potential, promotion prospects and training needs. In F1 a further use of the appraisal is to determine the annual salary increment.

- IV. According to the individual managers' ratings however, the main aims of the performance appraisal are: a) to help me to set future targets b) to assess my promotion prospects c) to determine my previous performance d) to assess my training needs and e) to determined increment payment.
- V. Managers' appraisal is completely in the hands of their immediate superiors and in most cases no predetermined performance criteria or targets exist. The individual managers overwhelmingly support the solitary-role of the immediate superior (i.e. 90%). This is despite the view of some interviewees that there is some inconsistency in their superiors rating of their subordinates and that there is mismatching between some appraisees expectations and appraisers ratings. Notions such as "appraisers are just like judges, some are hard others are not" have been used to justify these practices.
- VI. The appraisal is believed to be influenced by some socio-cultural element, i.e. personal orientations and social connections. Nonetheless, the impact varies between the banks. It seems to be least in N2, where performance targets are set in advance, promotion and potential assessment involve more people, i.e. the immediate superior, his boss and human resource specialist and managerial careers are systematically planned the social influence is minimised. In the rest (viz. N1, N3, F1, F2) where promotion and career advancement are closely tied to performance achievement and no management career planning is practised, social pressure from kin, friends and influential figures to overrate appraisees is felt. Some interviewees offer these explanations: -i) "in our society as in many other Arab Societies, people hardly separate their personal and social obligations from their work responsibilities" and-ii) "we avoid employing relatives to avoid future complications".

One of the most interesting observations is that the individual managers' perception about the influence of social ties on the appraisal varies according to their backgrounds. Table 8.3 summarises the managers' responses to a statement about the influence of social ties on performance appraisal.

The clearest personal factor is gender, where a distinct contrast emerges between females and males reactions to the statement. While 53% of the females agree with the statement, only 28% of the male respondents do.

Other, but less significant variations among the subjects attitudes are ascribable to their managerial and education levels. The managers' inclination to support the statement or oppose it seems to be directly related to these two variables. In other words, it seems that the higher the manager's organisational and/or educational level the less they become aware of the social influence on the appraisal process. The reasons for these attitudes are not easy to detect however , one may only speculate that well qualified individuals believe more in their abilities to achieve better results rather than depend on their social connections. In the case of seniority the respondents might reject social and personal influences to show their fairness as appraisers and that they do not leave any room for suspicion.

Table 8.3 : Managers' perception of social ties influence on performance appraisal (n=104).

The statement: The objectivity of managerial performance appraisal is influenced by social ties.							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1. Overall		48	46.2	8	7.6	48	46.2
2. Gender	Male	24	28	16	19	45	53
	Female	10	53	2	10	7	37
3. Managerial level	Senior	8	24	6	18	19	58
	Middle	15	33	9	19	22	48
	Junior	11	44	3	12	11	44
4. Nationality	Bahraini	28	34	14	17	41	49
	Non-Bahraini	6	29	4	19	11	52
5. Education	Secondary school	10	46	4	18	8	36
	Two years diploma	11	31	5	14	20	55
	University degree	13	28	9	20	24	52
6. Age group	25-34	9	22	8	20	23	58
	35-44	22	46	8	17	18	37
	45-54	3	19	2	12	11	69
7. Length of service with bank	1-6	9	35	6	23	11	42
	7-11	6	22	3	11	18	67
	12+	19	37	9	18	23	45

8.3.3 Potential assessment

This is a system through which employees' abilities are determined in order to select those individuals with potential to become managers or to be promoted to higher managerial positions in the future. Individual with such potential should be identified as early and as accurately as possible so that the right amount of training is provided at the right time to cultivate their skills and personalities for their prospective jobs.

However the main conclusion of this study is that managerial potential is unsystematically assessed by immediate superiors and that top managers have more

control over the final choice and performance appraisal is the only method to judge potential in N1, N3, F1 and F2 according to the interviewees. In N2 a combination of three means, i.e. the appraisal results, a competency-based analysis and the Employee Potential Review Report (EPRR) are employed to decide on managerial potential (see 7.3.1 for more details).

On the other hand, a large majority of the surveyed managers (i.e. 65.4%) are unaware of any systematic process of potential assessment. More than 81% of the subjects sustain the authoritative roles of immediate superior and top managers in determining future managerial capabilities. Furthermore, 34% of the managers surveyed maintain that potential assessment is subject to some socio-cultural bias, 19% are undecided and 47% reject this notion. Nonetheless, more explicit differences emerge when personal backgrounds are considered. Table 8.4 summarises the managers' perception about the social influences on the potential assessment in relation to their personal backgrounds.

Table 8.4 Managers' perception of social influence on potential assessment (n=104).

The statement: Managerial potential assessment is subject to social/personal ties and influences.							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq	%
1. Overall		35	34	20	19	49	47
2. Gender	Male	26	31	17	20	42	49
	Female	9	47	3	16	7	37
3. Managerial level	Senior	10	30	3	9	20	61
	Middle	18	39	9	20	19	41
	Junior	7	28	8	32	10	40
4. Nationality	Bahraini	32	39	14	17	37	44
	Non-Bahraini	3	14	6	29	12	57
5. Education	Secondary school	12	54.5	4	18.2	6	27.3
	Two years diploma	10	28	6	17	20	55
	University degree	13	28	10	22	23	50
6. Age group	25-34	12	30	9	22	19	49
	35-44	20	42	8	16	20	42
	45-54	3	19	3	19	10	62
7. Length of service with bank	1-6	6	23	8	31	12	46
	7-11	7	26	4	15	16	59
	12+	22	43	8	16	21	41

From Table 8.4 the main points of differences become visible and are associated with gender, managerial level, nationality, educational level, age and tenure variables. Females are more inclined to believe that managerial potential assessment is subject to social ties' influences than the males. More than 60% of the senior managers in the sample reject the notion that potential assessment is affected by social ties in comparison to about 40% of the junior and middle managers. Non Bahrainis appear to be less aware of the social influence on potential assessment. Managers who are less qualified i.e. with secondary school or less qualifications, believe that potential assessment is subject to social influences more than those with higher qualifications. Those who have been

working with their present employer for 7-11 years assume different views from those with less or more years of service.

8.3.4 Promotion and succession planning

Both of these activities are usually based on the previous activities to ensure a continuous and effective management influx at every organisational level. Promotion is concerned with the movement of managers to higher or more important posts, whereas, succession planning is a systematic way of identifying the most competent replacements for current managers and preparing them for their potential tasks. However, the following points emerged from examining the five cases:

- i. succession planning for all managerial levels is not undertaken in four banks and needs are met as they arise. The choice between internal or external source is determined by the level of the job to be filled. The more senior the job the more likely that the chances to resort to external sources.;
- ii. N2 has recently introduced succession planning whereas the others admits that they do not practise it;

Consequently only 26% of top managers (i.e. general managers and their deputies and assistants) have been promoted to their positions internally. However, the ratios of those in lower levels vary substantially among the banks, i.e. 70% in N1, 25% in N2 and N3, 13% in F1 and 70% in F2.

Another evidence of the lack of succession planning can be drawn from the responses of the managers who completed the questionnaire where 48% of them do not

see that trained successors are at hand to fill future vacancies and 17% do not know if succession planning exists or not.

In regard to promotion both the interviewed personnel managers as well as the majority of the surveyed managers maintain that promotion to supervisory positions and/or higher managerial jobs is based on two main elements

- i. achieving a high quality and quantity of results and;
- ii. possessing an ability to develop self and subordinates.

These are very broad criteria and in most of the banks are not clearly determined. Seniority is surprisingly rated very low as a criterion for promotion in the Bahraini banks. This very much conflict with the high regard for previous experience as a criterion in the selection process. This can be explained by what one of the interviewees stated that:

“the length of service alone is not enough if you do not deliver sound results on your job you are most likely to be bypassed by others who are younger and newer in their posts”

Social back up is another factor that is seen by many managers to enhance promotion chances. In particular, this situation is perceived more by managers in N1, N3 and F1 than those in the other two banks. However, as a whole 34% of the managers surveyed believe that social backup plays a role in gaining promotion. But no notable distinctions become visible when their personal characteristics are considered. That is to say that no apparent association is found between the managers' personal and job-related backgrounds and their perception of the role of social back-up in the promotion process.

8.4 Management Training Policy and Activities

Management training as a term, although used as a synonym to management development in several writings, is a distinct process. It is concerned more with function-specific activities rather than with role-specific activities. However, in this research it is treated as a sub-system within a wider system, i.e. management development to improve the manager's performance in their current jobs and to prepare them for future advancement.

Hence organisations must have a clear training policy which is communicated, understood and accepted by employees at all levels and takes into account not only the organisation's interest but the individuals' needs at all levels, be related to human resource planning and serves the managers in their current job as well as into their future career's. Furthermore, top management involvement and support are essential for the training policy to attain its objectives.

In this regard, i.e. management training, many points have emerged to characterise the practices of the five firms surveyed:

The first is that a management training policy that suits the organisation's local needs is not devised in a clear and defined pattern in four of the five banks. In reality, N1, N3, F1 and F2 all develop their training plans on an annual basis. They depend heavily on training courses that are available in the market. After they receive the brochures of the BIBF and other training institutions, they usually draft their training plans accordingly.

However, the foreign banks adopt their parent company's guidelines in arranging their training activities. On the other hand, the fifth bank (N2) has recently developed a management training scheme.

The second is that all the banks believe that good bankers will make managers, therefore, functional training is the most common form of training. Yet, in N2 where a formal training policy exists the objectives are clearer and are directed to improve managers' performance in their current jobs and to impart them with skills essential for future development. Meanwhile, the other banks training efforts focus on developing job-specific skills.

The third is that in the banks where no defined training policy exists (i.e. N1, N3, F1 and F2) only senior managers are informed of training plans and opportunities whereas in N2 which has an articulate training policy managers from all managerial levels are made aware of their immediate training opportunities as well as of their future training targets.

In relation to training information availability, the overall view of the individual managers indicates that more than 50% of them do not receive information on both the training policy and future training opportunities on a regular basis. However, at the individual bank level the picture is utterly different. In N1 less than 20% of the managers are aware of the training policy of their organisation and their future training opportunities, whereas in N2 more than 75% of the managers sampled report that they receive information on both accounts, on a regular basis and the percentage is 25% in N3.

In the foreign banks (F1 and F2) more than half the managers in both cases agree that information is available to them constantly.

Further inferences can be identified in relation to information availability to managers when the managers' backgrounds are taken into account (see Tables 8.5 and 8.6).

Table 8.5: Managers perception of information availability on the training policy (n=104).

The statement: Information on the organisation's training policy is always available to me							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1. Overall		45	43	11	10	48	47
2. Gender	Male	38	45	10	11	37	44
	Female	7	37	1	5	11	58
3. Managerial level	Senior	29	61	1	3	12	36
	Middle	19	41	5	11	22	48
	Junior	16	24	5	20	14	56
4. Nationality	Bahraini	33	40	10	12	40	48
	Non-Bahraini	12	57	1	5	8	38
5. Education	Secondary school	7	32	2	9	13	59
	Two years diploma	18	50	3	8	15	42
	University degree	20	43	6	14	20	43
6. Age group	25-34	14	35	8	20	18	45
	35-44	19	40	3	6	26	50
	45-54	12	75	-	-	4	25
7. Length of service with bank	1-6	10	38	2	8	14	54
	7-11	14	52	3	11	10	37
	12+	21	41	6	12	24	47

Table 8.6: Managers perception of information availability on future training (n=104).

The statement: Information on all future training opportunities is always available to me.							
VARIABLES		RESPONSES					
		TRUE		DO NOT KNOW		FALSE	
		Frq.	%	Frq.	%	Frq.	%
1. Overall		45	43	16	16	43	41
2. Gender	Male	39	46	15	17	31	37
	Female	6	32	1	5	12	63
3. Managerial level	Senior	19	58	2	6	12	36
	Middle	20	44	9	19	17	37
	Junior	6	24	5	20	14	56
4. Nationality	Bahraini	36	43	12	15	35	42
	Non-Bahraini	9	43	4	19	8	38
5. Education	Secondary school	8	36	2	9	12	55
	Two years diploma	20	56	5	14	11	30
	University degree	17	37	9	19	20	44
6. Age group	25-34	17	42	8	20	15	38
	35-44	18	38	6	12	24	50
	45-54	10	63	2	12	4	25
7. Length of service with bank	1-6	9	35	4	15	13	50
	7-11	14	52	3	11	10	37
	12+	22	43	9	18	20	39

The main differences between the managers relating to their backgrounds are:

- I. Females answers indicate that they are less informed than their male colleagues; 58% and 63% of the female respondents disagree with the two statements in contrast to 44% and 37% of the males.
- II. It appears from the managers' reactions to the statements that the more senior the managers, the more information is available to them. 61% and 58% of the senior managers confirm that they are always informed of the training policy and future training, whereas, 41% and 44% of the middle managers and 24% of the junior managers agree.

III. More than half the managers with diplomas appear to have knowledge of the policy and future training, in comparison to 34% of those with secondary education and 40% of those with University or higher degrees. This could be ascribed to the fact that 78% of those with diplomas are either senior or branch managers.

IV. The differences between the various age groups' views are visible in regard to information availability. Of the oldest age group (i.e. 45-54) 75% proclaim that information on training policy is always available to them and 63% of them state that they are made aware of future training opportunities in contrast to 45% and 50% of the middle aged group (i.e. 35-44) who claim that both statements are false.

The fourth point is that in N2 training needs are assessed according to individual requirements within the context of their current jobs as well as in relation to their future career advancement. Here, the needs assessment involves several people, i.e. superiors, their bosses and career development specialist and many techniques are employed, i.e. the EPRR, the appraisal, and the competency-based, whereas in the other banks the appraisal is the only apparatus and immediate superiors are the only people involved.

The fifth feature is that selection of managers to participate in training is decided solely by immediate superiors and appears to be subjective in N1 and N3 according to their managers' perceptions. In N1 40% of the managers believe that management training is available to a selected few while 35% reject this idea and the remaining 25% are undecided. Furthermore, 65% of them believe that managers selection for training is subject to social and personal ties. In "N3" 63% think that training is for a selected few and 46% believe selection for training is subjective. The percentages in the foreign banks are in F1 41% and 47%, and in F2 37% and 21%. On the other hand, in N2 the social factors influence on managers' selection for training is the least, only 14% of its

respondents believe that management training is available to a selected few and 10% agree that the selection is liable to social or personal nepotism.

Sixth, off-the-job training is the most utilised form of training in the companies visited. While on-the-job training is very limited and not accounted for, off-the-job training takes mainly the form of short intense courses that are available in the market. Yet most of these programmes are functional specific courses that are provided by the BIBF. Some banks encourage their managers to develop themselves through sponsoring their part-time education, i.e. evening MBA.

Seventh, one of the main features that has emerged from this investigation is the strong belief in management training significance and contribution to improve the individuals as well as the organisations performance. Both parties, i.e. the officials and the individual managers, have positive attitudes towards the value of management training. More than 90% of the individual managers from all personal backgrounds believe that management training enhances both managers and organisations' performance.

The officials interviewed are not less enthusiastic about management training. In N1 the personnel administrator, although rating her organisation below average in comparison with other banks in terms of training, argues that management training is imperative to sustain the survival and prosperity of the bank. N2's representative, despite that fact that it is top in the list, stresses that the need for management training is always very high and ongoing to obtain organisational success. N3 realises that training is essential to produce the right type of managers to cope with a rapidly changing banking

market. F1 believes that training is provided to improve managers performance and to enhance customer service quality. F2's personnel manager attests that management training is an essential element in improving the performance of both individual managers as well as the organisation.

Management training is not evaluated in a regular manner in all the banks. Nonetheless, report writing by participants on their return from training is the only common form of evaluation.

The percentage of managers who have attended training courses vary to a great extent between the banks. N2's managers reported the highest attendance rate, i.e. 85% of them have attended training over the twelve months that preceded the survey. F1's managers follow where 65% of the managers attended training. In F2, 58% of the managers surveyed participate in training. In N1 48% of the respondents attended training. Lastly N3 with 33% of its managers having had training experiences over the 12 month period. The overall percentage of those who have had no training is 43% of all the managers sampled. Therefore, it is not surprising that 60% of the sample express their dissatisfaction with the amount of training offered to them. This position appears to be true in all the banks according to the majority of their individual managers, including N2's managers.

8.5 Management Development and the Bahraini Environment: Some Explanations

In the previous sections an integral picture of management development practices in five commercial banks is presented. There are many indications that the country's societal context has played a major role in shaping the pattern of management development adopted by the organisations and that some socio-cultural elements are involved in the various stages of the process, i.e. human and managerial resource planning and management training activities.

The findings are discussed and explained below within the cultural framework of Bahrain.

8.5.1 Human Resource Planning

It was concluded from the analysis of the five case studies that human resource planning was not given adequate consideration in four organisations. The reasons for this were found to be: a) lack of top management support for an involvement in the activity, b) shortages of specialised expertise and staff to manage the process and c) the belief that vacancies can be dealt with as they arise.

The above findings are not unusual in a developing country like Bahrain. Similar phenomena were observed in other Arab countries. Muna (1987) after examining the training and development experience of a Qatari oil company, maintains that there is a

lack of manpower planning and deficient attention to personnel affairs. He further highlights that:

"It was sad to discover that so many large organisations in the Gulf area do not have proper manpower data systems. Ironically, these same organisations have the most sophisticated computerised inventory of their material and spare parts, but fail to maintain an inventory of their most valuable asset: their human resources" (p. 58).

Al-Doori (1982) also points out that there is no systematic approach applied in manpower planning nor a clear understanding of human resource concepts in the Arab world. He relates this state of confusion to two chief elements. The first is the shortage of accurate data and the second is the absence of comprehensive systems in human resource planning.

The apathy towards human resource planning and development by top managers, or their lack of involvement in the process, is by no means claimed to be intentional but rather imposed by some cultural constraints that consume their time. It has been indicated by many researchers that Arab organisations are characterised by rigid authority centralisation (Al-Sayegh, 1986; Al-Faleh, 1987) and the top-man syndrome (Muna, 1980; Abuznaid, 1990). Al-Sayegh (1986) believes that centralisation is a main obstacle to management development in the Arab world where top managers are preoccupied with daily operational routines and to a great extent neglect the most important aspects of top management missions, (e.g. strategic planning). He furthers his argument and accuses the concentration of authority at the top of restricting the development of capable second line managers at all levels.

Top-man syndrome refers to the insistence of all those who deal with the organisation on dealing directly with the top managers of organisations. This situation, along with other socio-cultural pressures on top executives, (e.g. social visits at the office), are time consuming and obstruct top executives from concentrating on their strategic organisational roles.

The widespread and acceptable belief among the Bahrain banks that any vacant job can be readily filled from external sources can be considered as a distinctive feature of the Bahrain context. This attitude might have stemmed from the long history of banking in the country, since 1920, and the relatively large number of financial institutions, more than 250. This has led the majority of the banks to believe that there is no shortage of bankers and managers in Bahrain that are available for recruitment at any time. If judged against the general Arab management behaviour this conviction can be ascribed to reactive and crisis-management styles that are deemed to characterise Arab management according to Al-Faleh (1987).

8.5.2 Managerial career planning

Due to the overlapping and interdependent nature of the processes examined under this heading and for the sake of simplicity, those conclusions that are related to the culture are discussed and presented in their entirety.

The evidence gathered indicates that many social and personal standards are implied in managerial career planning in the banks surveyed beside the objective criteria.

However, the cultural reflections on these processes are manifested throughout these stages, from recruitment and selection to career progress and promotion.

The indications of inequality and subjectivity that have been noticed by the managers surveyed in respect to all the career planning stages, selection, appraisal, potential assessment and promotion are culture-specific phenomena.

These conclusions are consistent with previous research's findings. Researchers in the field of organisational behaviour and management practices in the Arab world have observed comparable phenomena in regard to management development practices and have highlighted several obstacles that inhibited its success.

A few examples of these studies are briefly discussed to confirm our findings, especially those which are closely associated with the socio-cultural context of Bahrain. It has been noticed that Arab executives do not separate their social and personal affiliations from their organisational roles (Muna, 1980; Al-Faleh, 1987; Abuznaid, 1990). Al-Rumaihi (1982) and Abdul-Rahman (1989) confirmed this state of fusion and overlapping and indicated that organisational activities in general are greatly influenced by social and personal inclinations. Al-Nouri (1982) emphasised that the shortage of defined selection and employment policies was a major problem underlying management development practices in Kuwait. Al-Hamoud (1982) argues that the main obstacles to management development in the Gulf region are:

- i. family and social factors, (nepotism and intermediation), resulting in malpractice of the selection and misplacement of managers, and

- ii. insufficient utilisation of modern selection and career development methods and techniques.

Al-Khras (1990) supports the above arguments and asserts that the cultural contexts bearings on employment practices are evident from the selection and appointment of employees through to their career progress and rise. He also contends that the external social relations have tinged relationships within organisations in a personal rather than objective manner. Afifi (1984) ascertains the significance of personal judgement in the recruitment and selection of managers in Arab organisations.

In relation to performance appraisal and promotion decisions the situation is not very different. Standards of management and organisations' performance are vague (Hashem, 1983). Promotion decisions do not reflect outstanding performance nor relate to individuals capabilities but are rather haphazard due to the unavailability of scientific measurements of performance (Al-Musa, 1987). Furthermore, Al-Rumaihi, 1981: 9) contested that:

"Personal relationships that prevail within the society have passive effects on organisational behaviour. These influences are evident where qualifications, experience and objectives standards are ignored or relegated to inferior significance in the promotion decisions process"

Similarly, Saaduldin (1989) noted that kinship and loyalty are very common in selecting senior managers.

In the light of the above discussion of the general situation of managerial career planning practices in the Arab countries, most of this research's findings are consistent with previous research findings. Nonetheless, some certain points that have emerged from the analysis of both the interviews and the questionnaires require further explanation.

Firstly, the emphasis on previous experience as the foremost qualification in recruiting and selecting managers. This outcome can be related to a shared conviction among the banks that "good and skilful bankers will make successful future managers". The belief that real work experience would enhance managerial success is widely appreciated in the Arab culture (Muna, 1980). Further, this reality perhaps can be related to the British management traditions since banking and management concepts were first introduced to Bahrain by the British. In Britain, effective management is viewed to be closely associated with real work experiences and managerial success is so much determined by previous achievement (Handy et al, 1988).

Secondly, the substantial differences between the female and male perceptions in regard to career planning. Women have pronounced sceptical attitudes towards equality and objectivity in relation to managerial recruitment and selection, performance appraisal, potential assessment and promotion procedures in their organisations. This situation can be explained by two possible reasons. First, the fact that women in the Arab world have joined the work force very recently and in small but gradually growing numbers. For example, the rate of female participation in the Bahraini work force grew from 4% in 1971 to 18% in 1991 and the sample of this study women were less than 20%. The

second point is that women's roles in the Arab societies were confined to social work and that their managerial role was negligible in the private sector (Aubznaid, 1990). Furthermore, Barakat (1993) argues that women's work in the Arab World has not been acknowledged nor recognised. Here one may recall Muna (1980) remarks that women's participation in business organisations is restricted because of the male's dominance in the Arab culture. Nonetheless, even with this small number of females in managerial positions one can maintain that there are encouraging signs of more women joining the work force in general and climbing organisational ladders to managerial levels.

Thirdly, the Non-Bahrainis dismissal of the social-cultural implications in managerial career planning activities. This outcome can be ascribed mainly to two elements. The first is connected to their cultural backgrounds. The great majority of the expatriate participants come from Western cultures where, at least to some extent, managers selection and career progress are based on objective criteria. The second factor is their unawareness of the Bahraini culture since cultures are very complex and hard for non-natives to assimilate. "It takes years to understand a single cultural system if one is not born to it" (*Hofstede, 1983:9*).

Fourth, junior and young managers believe that there is some subjectivity in managerial career planning processes. This might indicate their frustration with the system that requires long real work experiences for career advancement. A further cause might be the growing number of university graduates in Bahrain who tend to have high and sometimes unrealistic expectations of development and promotion (Muna, 1987).

Fifth, succession planning seems to be minimally practised in the banks. Real and scientific succession planning requires detailed analysis of managerial jobs and full profiling of the individual managers that are not provided in most of the surveyed organisations. This phenomenon is not peculiar to the Bahraini context but has been detected in other cultures, for example, Mumford (1989) indicated that succession planning in many British companies is treated in a loose manner and only when actual vacancies occur. He further pronounced that replacement decisions "are subject to the accident of who is known by whom, they can not properly be called succession planning" (p. 88).

The above discussion has revealed that human resource and managerial career planning practices in the Bahraini banking sector do not follow a systematic procedure and that the socio-cultural and subjective criteria greatly affect the processes for selecting, appointing, and promotion.

8.5.3 Management Training Policies and Activities

Given the above background of the ways human and managerial resources are approached and the evident involvement of the socio-culture in the procedures, the non-systematic handling of management training would be understandable. Nonetheless, previous studies that have probed management development and training situations in the Arab World have reported similar conclusions .

With respect to the lack of training policy and irregularity of training pattern, that are adopted by the banks, Abushakeh (1987) comes up with similar conclusions. He remarks that:

"Management development and training practices in the Arab world depend heavily on "good faith and intention" rather than on hard data that is drawn from the field or from the organisation's records This has resulted in fragmented treatment of training and failure to develop generic policies that determine its [training] objectives, methods, organise its procedures and link it to organisational needs" (p. 22).

Furthermore, after a three years investigation in five Arab states including Bahrain Mustafa (1984) concludes even implicit training policies do not exist, let alone a defined ones, in the region. More recent studies support the above arguments (e.g. Muna, 1987; Ahmad, 1987; Al Shibi, 1988). According to these researchers, the causes of this reality resides in misconceptions of training at national as well as organisational levels.

At the national level, common presumptions of training and its urgency are the main obstacles that face training policy formulation. The following conceptions about training were cited in the above mentioned studies :

- i. there is no need for training since managers are easily recruited from within the country or abroad through financial inducement;
- ii. most of the labour force including managers are expatriates who may leave the country at an time, hence, why bother with training; and
- iii. attending training is considered by managers, especially senior and top executives, as an admission of weakness and incompetence.

The last misconception of training is, to a great extent, disputed by the findings of the present study where both the personnel managers as well as the individual managers almost unanimously believe that management training does contribute positively to both the individual managers as well as the organisation's performance.

At the organisational level, the factors that thwarted the development of clear training policies in the banks, i.e. the absence of manpower planning and personnel systems and records, the lack of top management support and commitment and, the shortages of both staff and expertise in the training field were also underlined.

Another point which emerged from the analysis is the poor communication of training information down the organisational hierarchies. This point was made clear by more than half the sampled managers. Parallel findings were reported in the British context, i.e. (Easterby-Smith, Braiden and Ashton, 1980). Nonetheless, this point can be further explained by some variables that are specific to this study. The first is the fact that defined policies are lacking in four of the five banks. The second factor is that communication of training details is limited to top and senior managers in all the organisations.

A third finding is the dominance of off-the-job and functional training. This reality is not unusual in a culture where "technical skills" appear to be overrated and to overshadow other managerial skills, i.e. human and conceptual. The belief that "good bankers will make good managers" has been associated with the emphasis on functional training (Abushakeh, 1987). Ahmad (1987) noted that functional and job-specific training

and the provision of job-related skills is dominant in the training in some Arab countries. Abushakeh (1987) argues that management training is viewed as a corrective process which aims at overcoming any shortcoming in the executive's performance but not as a process to prepare him/her for future jobs or to widen their awareness of the broader scope of management and managerial work.

Additional drawbacks that have become visible through the analysis of the case studies, i.e. in training needs assessment, the absence of maintaining evaluation and the indication of some social influences that were imposed in the selection of the training participants are clearly results of the lack of systematic handling of the management development process from the planning stage through to its final phase. That is to say that a combination of environmental and organisational variables have contributed to this state of affairs.

To bring this section to a conclusion, one is able to argue at this stage that the approaches to management development have been unmethodical in most of the banks surveyed. In other words, the evidence that emerged from this study indicate that no systematic human resources nor managerial career plans and no defined management training policies are applied by the majority of the organisations. Furthermore, these personnel activities appear to be, at least to some degree, affected by social and personal considerations rather than being based only on objective grounds.

8.6 Summary

The findings of this research, as well as evidence from previous studies, have shown that management development efforts in the Arab World have been frustrated by interrelated and interdependent contextual elements. Nationally, management development as a multidimensional and multipurpose-activity is yet to be fully comprehended in Bahrain. Culturally, many social forces, i.e. intimate social ties and group affiliation and social status and loyalty predominate in all aspects of social interaction and organisations are not immune. Consequently, both the national misconception about the significance of management development and the socio-cultural realities have contributed to the non-scientific handling of the process in Bahraini banks.

CHAPTER NINE

CONCLUSION AND RECOMMENDATIONS

9.1 Introduction

In the previous two chapters five case studies from the Bahraini banking sector were analysed to explore the pattern of management development practices and the findings combined and discussed in relation to the country's overall context. A number of points have emerged to characterise management development in this country. A summary of the main aspects is presented in the first section of this chapter. However the second section contains the contributions and some recommendations of this study

9.2 Summary of the Main Findings

This research investigates management development as an integrated undertaking with an organisational context. Therefore aspects such as human resource planning, managerial career planning and management training activities are examined. The main conclusions in regard to these aspects are presented in the following sub-sections.

9.2.1 Human Resource Planning

In general there seems to be a lack of awareness of the importance of human resource planning as a fundamental organisational function in its own right and in its

relation to management training and development activity. The findings of this study indicate that:-

- I. No systematic procedures are used by four out of the five surveyed organisations in planning their human resources needs.
- II. Job analysis, although it exists for all positions, is closely tied to remuneration and job classification and is not linked to training and development activities.
- III. Top managers are apathetic towards this process and do not seem interested nor involved in its activities.
- IV. Human resources planning apparently suffers from both shortage of specialised expertise as well as understaffed personnel departments in most of the investigated banks.
- V. All the banks share a belief that employment needs at any level that cannot be filled from within could be readily accommodated whenever they arise from external sources.
- VI. Another element that appears to have notable consequences on the banks activities in the human resource and employment field is a legal administrative one, i.e. the Bahraini Labour Law. Specifically, Act 23/1976 which promotes the nationalisation of the work force in the private sector. Hence, Bahraini nationals account for almost 90% of the work force and 75% of the managers in the five banks.

9.2.2 Managerial Career Planning

Managerial recruitment and selection, performance appraisal, potential assessment and succession and promotion planning are all considered elements in managerial career planning in our investigation. The data on recruitment and selection reflects the general lack of human resources planning outlined earlier. Further the following points have

emerged from the case studies to characterise the various managerial career planning processes in the Bahraini banking sector:

A- Recruitment and Selection.

- I. Four of the banks do not have specific schemes to guide their recruitment and selection activities but rather they react to needs as they occur. The exception is N2 which introduced a generic human resource planning and development system in 1988.
- II. The most common recruitment methods used by the national banks are press advertisements locally for junior managers and internationally for top managers. In the two foreign banks managerial vacancies are usually reported to their head offices to be internally announced before reverting to external recruitment sources. Further, none of the banks maintain any links with the local educational institutions for recruitment purposes.
- III. Previous experience in similar jobs and good command of the English language are the most common criteria used in selecting new managers in all the banks. However the emphasis on other qualifications varies between the banks. In N1 candidates with the BIBF Diploma are preferred over those with higher qualifications. In N2 applicants with university or postgraduate degrees in management are given priority over others. In N3, F1 and F2 university degrees in management or related subjects will enhance the recruiting selection chances.
- IV. Skills that are considered essential for successful managers appear to be almost the same in all the banks. Ability to work in teams, ability to work independently and good personal manner were pointed out. In N2, however, ability to work as on the job trainer was indicated as an important skill that is taken into account in the selection process.
- V. Selection of managers in all the banks is based on reports by interviewing committees. Yet, all selection decisions are usually made at the highest managerial levels in all the banks.

B- Performance Appraisal.

- I. Managers' performance is reviewed annually in four banks, however N2 appraises its managers performance twice a year.
- II. The appraisal review in all the banks applies to senior, middle and junior managerial levels but not to top managers where their performance is judged against the overall achievement of their organisation.
- III. In all the banks a prime objective of the appraisal is to measure the manager's previous performance. Nonetheless it is also used as a method to assess training needs and to determine managerial potential and promotion prospects in four of the banks where no systematic managerial career scheme exists.
- IV. Managers' appraisal is completely in the hands of their immediate superiors and in most cases no predetermined performance criteria or targets exist. The individual managers overwhelmingly support the solitary-role of the immediate superior (i.e. 90%).
- V. There are some indications that the appraisal is subject to socio-cultural influences i.e. personal orientations and social connections. Nonetheless, the impact varies between the banks. The influence seems to decrease where performance targets are set in advance, promotion and potential assessment involve more people and managerial careers are systematically planned

C- Succession Planning

- I. Succession planning is minimally practised in the surveyed banks. One organisation has recently introduced succession planning whereas the other admits that they do not practice it.
- II. As a result only 26% of top managers (i.e. general managers and their deputies and assistants) have been promoted to their positions internally. However, the ratios of those in lower levels vary substantially among the banks.

III. The lack of succession planning is also seen by 48% of the sampled managers who do not agree that trained successors are at hand to fill sudden and future vacancies and 17% of them do not know if succession planning exists or not.

D- Potential Assessment

I. In most of the cases managerial potential is assessed by immediate superiors and performance appraisal is the only means to judge potential.

II. A big majority of the sample (70%) is unaware of any systematic way of assessing managerial potential, and more than 65% of the subjects support the roles of immediate superiors and top managers in appraising managerial capabilities.

III. Furthermore, 34% of the managers surveyed maintain that potential assessment is subject to some socio-cultural bias. An extra 19% of the sample chose the answer “do not know” in this respect.

IV. More explicit differences emerge when personal backgrounds are considered. A majority of the females believes that potential assessment is influenced by social ties. Non-Bahrainis on the other hand are not aware of such influence.

E- Promotion

I. Promotion to supervisory positions and/or higher managerial jobs is acquired mainly by achieving a high quality and quantity of results and possessing an ability to develop self and subordinates according to both the officials as well as the individual managers. Ironically however most of the banks do not have pre-defined performance objectives to accurately measure either the quality or the quantity of managerial performance.

II. Social back up has been seen as a factor to enhance promotion chances whereas 34% believe that social backup plays a role in gaining promotion. However no differences have become visible among the managers views in relation to this issue that can be associated with any of the seven personal variables.

9.2.3 Management Training Activities

In this research management training is treated as a sub-system within a wider system, i.e. management development. In this regard the following points have emerged to characterise the practices of the five surveyed firms.

- I. Management training policy that suits the organisation's local needs is not devised in a clear and defined pattern in four of the five banks. The banks heavily depend on training courses that are available in the market especially the BIBF's.
- II. All the banks believe that good bankers will make good future managers, and therefore functional training is the most common form where the focus is on developing job-specific skills.
- III. Information on training policy and future opportunities is not reaching junior managers and in most organisations it is only communicated to senior managers.
- IV. Training needs are not assessed according to pre-defined standards to meet individuals' as well as organisational development needs.
- V. Selection of managers to participate in training is decided solely by immediate superiors and appears to be subjective and available to a selected few in most of the banks according to more than 40% of the sampled managers.
- VI. Off-the-job training is the most utilised form of training in the five firms while on-the-job training is very limited and left to superiors discretion.
- VII. One of the main findings that emerges from this study is that management training is viewed to have positive contribution to improve individuals as well as organisations performance. Both parties, i.e. the officials and the individual managers have positive attitudes towards the value of management training. This is counter to the findings of previous studies in the Arab world.

VIII. The percentage of managers who have attended training courses vary to a great extent between the banks. But in general the managers appear not satisfied with the amount of training offered to them.

9.3 Theoretical and Practical Contributions

The findings of this study shall contribute to management literature in general and to Arab management in particular. The contributions can be seen from the following points which attempt to link the findings of the study the literature.

Firstly the patterns of management development in a developing country, Bahrain, can be better understood in the light of the study's findings. In this regard, it is found that Bahrain is concerned for the development of its work force through legislation that promote the employment of nationals. Each bank whether local or foreign is required by law to employ, train and develop Bahrainis. However, no clear nationalisation targets nor systematic approaches are determined by the legislators. Consequently the banks' practices vary to a large extent and the emphasis has been on unplanned learning "learning through experience" or what Mumford(1989) calls accidental learning. But how much a developing country like Bahrain can afford to depend on such methods in upgrading its human resources.

Secondly the influences of a distinct social culture, i.e. the Arab culture, on this process are examined and explained against evidence that are drawn from a real life setting. It emerges that the social culture plays an important role in determining managerial careers and should be taken into account in any management development

philosophy in the Arab countries. What we mean by accounting for cultural elements is that the elements which influence this process should be treated within the selected management development strategies.

Thirdly the private sector in the Arab countries has not received adequate research attention as yet, therefore this study intends to provide an insight into the sector's management development practices. It emerges from this study that both the suitability as well as the applicability of the sophisticated Western models of management development in the private sector's institutions in the Arab environment are questionable for many reasons. First the required expertise to administer them is not available in most of the organisations. Second top managers support and involvement are minimal. Third the expenses which associate with management development activities seem unjustified since the concepts and benefits are not clear in the Arab culture as it was explained in the previous chapter. Fourth the prevalent short term orientation of Arab management in planning not only human resources requirements but also business strategies are possible obstacles to applying Western management development methodologies. Finally which apply mainly to the Gulf region of the Arab World is the fact that most of the workers are expatriates and investment in training and development do not receive enough enthusiasm.

This research should enhance the Bahraini decision makers understandings of the management development situation in the banking sector and help them to amend current policies or introduce new ones to improve the skills of the country's work force and to

enhance its image as a prospective international financial centre. A possible solution for the country is to conduct comprehensive study in this field similar to the two popular British studies(i.e. Constable and McCormick 1987 and Handy 1987).

Organisations should use the research findings to improve their practices in domains of human and managerial resource planning as well as management training and development activities. The findings should aid them in devising new management development policies that are based on more reliable evidence. They also would be more aware of the socio-cultural influences on the various stages of the process. Although, the Western management development models are not practical as they are, they should be used as starting points to help organisations to develop some methods that are more compatible with their environments and suit their individual requirements. The basics of human resource planning that were born in the more advanced societies can be very helpful as guidelines for organisations in the developing countries and should be used as such.

Individual managers shall benefit from this study in having clearer ideas about the developmental opportunities available to them within their organisations. Then they can plan and develop their own careers accordingly. Again the Western principles can be very helpful for individual managers as guidelines, but every manager should look for the most appropriate venues for his or her career development.

9.4 Recommendations

Various suggestions can be made to the surveyed banks to accommodate some of the shortcomings in the field of management development.

Firstly organisations that do not follow systematic procedures in planning their employment needs should adopt such methods. To achieve this they should seek specialised consultations in this respects and support their personnel departments with more staff.

Secondly job analyses should be linked to management training and development. This can be done through determining jobs' requirements in terms of knowledge, skills and attitudes based on the job's level and relationships within the organisation as well as with the external environment.

Thirdly managerial careers at all levels must be planned and developed according to the current as well as future organisational needs. Recruitment needs should be pre-defined and planned. Performance standards in terms of both quantity and quality should be set out for all managerial positions beforehand to as accurately as possible assess their achievements in their current jobs and to diagnose their training needs as well as their future potentials. Many scientific potential assessment techniques are available and each organisation should choose those that can suit its requirements best. Succession planning schemes should be introduced to all managerial positions to avoid unnecessary confusions whenever a vacancy arises and to asset preparatory training efforts.

Fourth, management training and development activities should be arranged in accordance with the above activities in a systematic manner. Defined policies with clear objectives are essential to successful management training and development efforts.

Fifth, in the light of the findings it is recommended that training policies should be communicated and understood by managers at all levels to avoid uncertainty on the part of the individual managers. This is to accommodate the managers scepticism over equality in and fairness of selecting managers to participate in training and to inform them of their future training opportunities. This also can help in controlling favouritism in selecting training participants.

9.5 Implications for Future Research

Further research in all fields of management and management development in the Developing World is not only required but a fundamental requirement for its overall developmental endeavours. In the Arab World the case is very similar and research in all the aspects of management and organisational behaviour are needed and more pressing needs are evident in the private sector and its institutions.

In spite of all the disadvantages that associate with case study methodologies in general and the other difficulties that are encountered in completing this study, many future research projects can be suggested in the light of its findings. The following are studies that are believed to be essential for the development of more sound understanding

of the role of cultures “*software of mind*” on organisational and management behaviour in general and managerial career development specifically:

- I. A similar study should be carried out in some public institutions in Bahrain to explore management development practices in this sector and to contrast its findings with the present study. Another possible research project is a comparative one which samples organisations from both sectors.
- II. A study that concentrates on the pattern of human resources planning in the Bahraini banking sector is required to analyse in more depth the situation and to explore and explain the reasons behind the lack of systematic procedures that emerged from the present investigation.
- III. Research that examines the consequences of the intimate social relations that characterise the Arab culture have on managerial career advancement is needed. These types of research seem important to shed some light on the roles that some socio-cultural factors play in enhancing or hampering managerial career progression.
- IV. A study that aims to evaluate the Bahrain Institute of Banking and Finance’s management training courses is believed to be of great value to those who are concerned with management development in the Bahraini financial sector. This so because this institution is the main supplier of management training to this sector and is funded by its institutions.
- V. A study which attempts to relate organisational performance to management development and training, and to measures the relationships if any, is urgent. The case in developing nations where management development is yet to be fully comprehended and in many cases introduced, it seems more appropriate to at least show the benefits of such activities.
- VI. Similar studies in other Arab countries appear useful to discover if comparable or different conclusions will emerge. Furthermore replica of this research should be administered in countries of different socio-cultural structure to assess the cultural implications on management and organisational behaviour that are specific to the Arab

culture of those which are not, and to explore if comparable phenomena exist in other societies.

VII.A study that examines the various Western management development systems and attempts to determine those approaches that suit organisations working in Arabian surroundings or recommends a new paradigm that is compatible with the Arab culture.

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APPENDIX I

INTERVIEW QUESTIONS

(To be Discussed with Top Managers and/or Personnel Specialists)

B. General Information

- 1- The organisation name:-----.
- 2- Total number of employment:-----.
- 3- Percentage of Bahraini nationals:-----.
- 4- Total number of managers and supervisors:-----.
- 5- Percentage of Bahraini nationals:-----.
- 6- Number of branches in Bahrain:-----.
- 7- General manager nationality:-----.

B- Human and Managerial Resource Planning

I. Human Resources Planning

- 1- Does your organisation have a clear human resource planning system?
- 2- If “yes” what is the length of the plan? And what levels does it cover?
- 3- If “no” what are the reasons ?
- 4- Does your organisation practise job analysis i.e. job description and job specification?
- 5- If “yes” is it linked to training and development of your staff?

II. Managerial Recruitment and Selection

- 1- What sources are given priority in recruiting new managers?
 - a) internal
 - b) external.
- 2- What are the factors that influence your choices?
- 3- What is the estimated percentage of managers who were internally recruited in your organisation?
- 4- What methods are used in internal recruitment?
- 5- What methods are used in external recruitment?
- 6- In recruiting new managers which qualifications and personal traits do you emphasise on?
- 7- How do you decide the selection of new managers?
- 8- Do you think that social and personal relations which are common in the Bahraini society have any bearing on managerial selection?

III. Managerial Performance Appraisal

- 1- How often do you appraise managers' performance in this organisation?
- 2- What methods are used?
- 3- What are the objectives of the appraisal?
- 4- Do you think that the appraisal is influenced by social and personal ties?

IV. Managerial Potential Assessment, Promotion and Succession Planning

- 1- Do you assess future potentials of your managers?
- 2- If "yes" what method do you use?
- 3- Do you have defined schemes to meet sudden vacancies at the various managerial levels?
- 4- What are the criteria you use to decide promotions to managerial jobs?
- 6- To what degree do you think that these processes are subject to socio-cultural effects?

V. Concluding Questions

- 1- What are the consequences of the overall Bahraini environment on these process?"
- 2- Who is/are supposed to be involved in each of the various managerial career activities:

	People:	Immediate Boss	Peers	Higher Managers	H R Specialist
Processes:					
Recruitment planning					
selection interview					
potential assessment					
Promotion Decision					
Performance appraisal					

C. Management Training and development activities

- 1-Do you have a defined management training policy?
- 2- if "yes" what are the main objectives of this policy? If "no" why?
- 3- If "yes" to what levels is it communicated?
- 4- Do you believe that there is a need for management training?
- 5- If "yes" what is the degree of need in this bank? And why?

- 6- How do you assess training needs of your managers?
- 7- What are the criteria used managers to participate in training?
- 8- What are the main form of training offered to your managers?
- 9- How do you evaluate management training?
- 10- Is there a certain amount of annual training that each of your managers required to attend?
- 11- In your opinion to what extent does training contribute to the performance of both organisations as well as individual managers?
- 12- In what way does the Bahraini situation affect your training activities?
- 13- In comparison with other banks how would you rate this bank management practices?
- 14- What resources do you allocate for training your managers?

* Interviewee's

Job title:-----

Job level:-----.

APPENDIX II

استبانة

حول واقع التنمية الإدارية

في قطاع البنوك

بدولة البحرين

Questionnaire

CONCERNING MANAGEMENT DEVELOPMENT PRACTICES
IN THE BANKING SECTOR

STATE OF BAHRAIN

بسم الله الرحمن الرحيم

Dear Sir/Madam

الاخ الفاضل / الأخت الفاضلة

This questionnaire forms an important part of my research project to obtain the degree of Ph.D. in Management from the Department of Management Studies at Glasgow University in Scotland, UK. Your participation as a manager in completing this questionnaire and providing your experience in answering all the questions is invaluable and greatly appreciated.

تشكل هذه الإستبانة جزءاً أساسياً من مشروع البحث الذي أعده للحصول على درجة الدكتوراه في الإدارة من جامعة جلاسكو في المملكة المتحدة . وحيث أن موضوع البحث هو «واقع التنمية الإدارية في قطاع البنوك بدولة البحرين» ، فإن مساهمتك في الإجابة على أسئلة الإستبانة تعدّ عنصراً هاماً في إستكمال متطلبات هذا البحث .

The answered questionnaires will be treated in strict confidence. They will only be used in the analysis stage of this study. Under no circumstances will the answered questionnaires be seen by any individual in your organisation or anywhere else other than the researcher.

إنني إذ أقدر لكم مشاركتكم هذه ، أودّ أن أؤكد لكم السريّة التامة التي سوف تعامل بها إجاباتكم ، ولن يكون لأي شخص حقّ الإطلاع عليها سوى الباحث في مرحلة التحليل التي سوف تتمّ في مقر الدراسة .

The questionnaire does not bear any identification which can relate it to any individual.

Thank you

ولكم وافر الشكر ،

Atiya Al-Shammari

الباحث
عطية الشمري

INSTRUCTIONS FOR ANSWERING THE QUESTIONNAIRE

The questionnaire covers the following areas :

I – Management Training and Development Activities.

II – Managerial Performance Appraisal.

III – Managerial Resources Planning.

IV – Personal and Job-related Information.

Please answer all questions as they reflect your experience in your organisation. There is no standard answers to the questions, but they should reflect the actual practices in your organisation.

A blank space is provided at the end of each section for your comments. Please do not hesitate to write whatever you think or feel in relation to the section concerned. These comments are essential to illustrate and strengthen the results of this study.

If you have any enquiry or explanation concerning any terminology in this questionnaire, please do not hesitate to contact me on telephone No. 534040.

The questionnaire will take you approximately 20-25 minutes to answer.

كيفية الإجابة على الاستبانة

تنقسم الاستبانة إلى أربعة أجزاء نمية وهي :

١ - أنشطة تدريب وتطوير المرء .

٢ - تقييم أداء المدراد .

٣ - تخطيط احتياجات المؤسسة (نبت) من المدراد .

٤ - معلومات وظيفية وشخصية .

أرجو الإجابة عن جميع الأسئلة في التجربة السابقة من واقع معرفتك كمدير بغض النظر عن التركيز توظيف الذي تشغله في جهتك عملك الحالية ، علماً بأنه لا توجد إجابات نموذجية للأسئلة ولكن يفترض أن تعكس إجابات ما يمارس فعلياً في جهة عملك .

أرجو أن لا تتردد في كتابة أي تعليقات أو ملاحظات إضافية في المساحة المخصصة في نهاية كل جزء .

إذا رغبت في الإستفسار عن أي معلومة حول هذه الإستبانة أو عن المصطلحات المستخدمة ، أرجو أن لا تتردد بالإتصال بالهاتف رقم ٥٣٤٠٤٠ .

الإجابة على أسئلة هذه الإستبانة تستغرق ٢٠ - ٢٥ دقيقة تقريباً

I. MANAGEMENT TRAINING AND DEVELOPMENT ACTIVITIES IN THIS BANK

1. Please give the number of days that you have spent on any training activity in the last 12 months (please tick) :

None
1 - 5
6 - 10
11 - 15
Over 15

- Please tick the appropriate box which indicates your response to each of the following statements. Three kinds of answers are provided (True, False and Don't know). Your Choice should reflect the actual practices in your Organisation.

أولاً : أنشطة تدريب وتنمية المدراء في هذا البنك

- ١ - كم عدد الأيام التي قضيتها في أي نشاط تدريبي كمتدرب خلال الإثني عشر شهراً الماضية ؟ إختتر إجابة واحدة :

لا شيء
١ - ٥
٦ - ١٠
١١ - ١٥
أكثر من ١٥

- الرجاء الإجابة على بقية أسئلة الاستبانة باختيار أحد الإجابات (صح ، خطأ أو لا أعرف) ، والتي يجب أن تعكس الممارسة الفعلية في جهات عملك بوضع علامة « √ » في المربع المخصص لذلك .

	صحيح TRUE	لا أعرف DON'T KNOW	خطأ FALSE	
2. Information on the organisation's managerial training policy is always available to me.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٢ - المعلومات عن سياسة تدريب المدراء في هذه المؤسسة متاحة لي دائماً .
3. Information on all future managerial training opportunities is always available to me.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٣ - المعلومات عن فرص التدريب الإداري المستقبلية متاحة لي دائماً .
4. I am always involved in decisions made concerning my training.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٤ - أشارك دائماً في صنع قرارات تدريبي .
5. My immediate superior always participates in decisions made concerning my training.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٥ - يشارك رئيسي المباشر دائماً في صنع قرارات تدريبي .
6. Managerial training is always decided by the personnel/training department.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٦ - قرارات تدريب المدراء تتخذ دائماً في إدارة شؤون العاملين .
7. I usually discuss training programmes' objectives with my superior before participation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٧ - جرت العادة أن أناقش مع رئيسي المباشر أهداف أي نشاط تدريبي قبل المشاركة فيه .
8. I usually write a report on my return from any training experience.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٨ - جرت العادة أن أكتب تقريراً بعد العودة من أي نشاط تدريبي أشارك فيه .

	صحيح TRUE	لا أعرف DON'T KNOW	خطأ FALSE	
9. There is always someone within the organisation with whom I have to discuss my training experience.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٩ - جرت العادة أن أناقش مدى استفادتي من أي نشاط تدريبي شاركت فيه مع أحد المسؤولين في جهة عملي .
10. My selection for management training is closely related to my current job needs only.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٠ - إختياري للتدريب يتم وفقاً لاحتياجات وظيفتي الحالية فقط .
11. My selection for management training takes my future development as a manager into account.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١١ - إختياري للتدريب يأخذ في الإعتبار تطوري المستقبلي كمدير .
12. Management training is available to a selected few.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٢ - تدريب المدراء مقصور على فئة قليلة مختارة .
13. Selection for management training is subject to social/personal ties and influence.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٣ - إختيار المدراء للتدريب يتأثر بالعلاقات الإجتماعية والشخصية .
14. The amount of training offered me as a manager is sufficient.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٤ - كمية التدريب الإداري المقدمة لي كمدير كافية .
15. In my opinion, management training improves manager's performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٥ - في رأيي أن التدريب يطور أداء المدراء .
16. In my opinion, management training improves any organisations performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٦ - في رأيي أن تدريب المدراء يساعد في تحسين أداء المؤسسة .

Further comments regarding the past section :-

تعليقات وملاحظات إضافية :-

II. MANAGERIAL PERFORMANCE APPRAISAL IN THIS BANK	صح TRUE	لا أعرف DON'T KNOW	خطأ FALSE	ثانياً : تقييم أداء المدراء في هذا البنك
1. My performance is formally ap- praised at least once a year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١ - يتم تقييم أدائي مرة واحدة في السنة على الأقل .
2. My performance is appraised only if promotion or training is consid- ered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٢ - جرت العادة أن يُقيم أدائي كمدير قبل إتخاذ قرار للترقية أو التدريب فقط .
3. My performance is usually ap- praised by myself.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٣ - جرت العادة أن أقوم بتقييم أدائي بنفسي .
4. My performance is usually ap- praised by my immediate superi- or.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٤ - جرت العادة أن يقوم رئيسي المباشر بتقييم أدائي .
5. My performance is usually ap- praised by the personnel depart- ment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٥ - جرت العادة أن تقوم إدارة شؤون العاملين بتقييم أدائي .
6. One of the main aims of the ap- praisal is to determine my past performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٦ - أحد الأهداف الرئيسية لتقييم الأداء . هو الحكم على الأداء الماضي للمدير .
7. One of the main aims of the ap- praisal is to help the manager to set future targets.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٧ - أحد الأهداف الرئيسية لتقييم الأداء . هو مساعدة المدير لوضع أهداف أداء مستقبلية .
8. One of the main aims of the ap- praisal is to determine bonus pay- ment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٨ - أحد الأهداف الرئيسية لتقييم الأداء . هو تحديد مبلغ العلاوة الإضافية «البونص» .
9. One of the main aims of the ap- praisal is to assess training needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٩ - أحد الأهداف الرئيسية لتقييم الأداء . هو تحديد الإحتياج التدريبي .
10. One of the main aims of the ap- praisal is to assess promotion prospects.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٠ - أحد الأهداف الرئيسية لتقييم الأداء . هو تحديد إمكانية الترقية .
11. I usually discuss my appraisal with my superior.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١١ - جرت العادة على أن أناقش تقييم أدائي مع رئيسي المباشر .

- | | صحيح
TRUE | لا أعرف
DON'T
KNOW | خاطئ
FALSE | |
|---|--------------------------|--------------------------|--------------------------|---|
| 12. Confidential performance appraisal is the practice in this bank. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | ١٢ - تقييم الأداء السري هو المتبع في هذا البنك . |
| 13. The objectivity of managerial performance appraisal is influenced by social/personal ties. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | ١٣ - موضوعية تقييم الأداء تتأثر بالعلاقات الاجتماعية والشخصية . |
| 14. I believe that the appraisal of manager's performance helps management development processes. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | ١٤ - نعتقد أن تقييم أداء المدراء يساعد في عملية التطوير الإداري . |

Further comments regarding the past section :-

تعليقات وملاحظات إضافية :-

III. MANAGERIAL RESOURCES PLANNING IN THIS BANK

ثالثاً : تخطيط احتياجات المؤسسة (البنك) من المدراء

	صح TRUE	لا أعرف DON'T KNOW	خطأ FALSE	
1. All managers' future careers are planned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١ - يتم تخطيط المستقبل الوظيفي لكل للمدراء في كل المستويات .
2. Managerial careers at all levels are systematically developed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٢ - يتم تطوير وظائف المدراء في كل المستويات بشكل منظم .
3. Managerial potential is assessed according to scientific rating techniques.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٣ - قدرات المدراء تحدد وفقاً لمعايير قياس علمية
4. Managerial potential is assessed by top management.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٤ - قدرات المدراء تحدد الإدارة العليا .
5. Managerial potential is assessed by immediate superiors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٥ - قدرات المدراء يحددها رؤسائهم المباشرين .
6. Managerial potential assessment is subject to social/personal ties/influence.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٦ - تحديد قدرات المدراء تتأثر بالعلاقات الاجتماعية والشخصية .
7. Managerial recruitment needs are planned in advance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٧ - احتياجات المؤسسة من المدراء تحدد مسبقاً
8. Internal recruitment is the rule in filling vacant managerial posts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٨ - غالباً ما يتم ملء أي منصب إداري شاغر من داخل المؤسسة .
9. External recruitment is a main source of filling vacant managerial positions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٩ - الإختيار من خارج المؤسسة هو الغالب ملء للمنصب الإدارية الشاغرة .
10. There is always a trained successor (replacement) to fill any future managerial vacancies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٠ - هناك دائماً بديل مدرب لكل مدير في كل للمستويات الإدارية .
11. All qualified managerial candidates have equal opportunity to be selected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١١ - الفرص متساوية للإختيار بين المرشحين ذوي الكفاءة للمناصب الإدارية .
12. Training is always provided before managerial placement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٢ - غالباً ما يتم تدريب المدراء قبل تعيينهم

	صحيح TRUE	لا أعرف DON'T KNOW	خاطئ FALSE	
13. In my opinion managerial selection is influenced by social ties.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٣ - في رأيي أن إختيار المدراء يتأثر بالعلاقات الإجتماعية .
14. Promotion is gained by achieving consistent high quality results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٤ - الترقية تتم وفقاً لتحقيق معدلات أداء عالية .
15. Promotion is gained through seniority.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٥ - الترقية تتم وفقاً لمعايير الأقدمية .
16. Promotion is gained by showing the ability to develop self and subordinates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٦ - للحصول على الترقية يتطلب أن يظهر المدير قدرته على تطوير نفسه ومروسيه .
17. Promotion is gained by social back up.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٧ - الحصول على الترقية يتطلب سنداً إجتماعياً .
18. I have reached my present position as a result of promotion from within.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٨ - وصلت إلى مركزي الحالي نتيجة ترقية من داخل المؤسسة .
19. I believe that managerial career development contributes greatly to the organisation's performance improvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	١٩ - أعتقد أن تخطيط المستقبل الوظيفي للمدراء يساهم إلى حد كبير في تدعيم أداء المؤسسة .
20. In my opinion, the career development scheme has helped my development as a manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	٢٠ - في رأيي أن خطط التطوير الوظيفي ساهمت في تميتي كمدير .

Further comments regarding the past section :-

تعليقات وملاحظات إضافية :-

IV. PERSONAL AND JOB-RELATED INFORMANCE

Please tick one of answers provided to each of the following questions :-

1. Educational qualification :-

- ☐ secondry school certificate or less
(please specify) _____.
- ☐ two years diploma after secondary
school (please specify) _____.
- ☐ university degree (please specify
speciality) _____.
- ☐ higher degree (please specify degree
obtained and speciality) _____.

2. Working experience (please specify in
terms of years) :-

- ☐ years in employment in general.
- ☐ years with the present organisation.
- ☐ years in present position.

3. Job position :-

- ☐ General Manager (GM).
- ☐ deputy/assistant to GM.
- ☐ Executive Manager (EM).
- ☐ deputy/assistant to EM.
- ☐ branch/department manager.
- ☐ supervisor.
- ☐ other (please specify) _____.

4. Nationality :-

- ☐ Bahraini.
- ☐ Other (please specify) _____.

5. Age :-

- ☐ less than 25 years
- ☐ 25 - 34
- ☐ 35 - 44
- ☐ 45 - 54
- ☐ 55 or more

رابعاً : معلومات وظيفية وشخصية

يرجى إختيار أحد الإجابات الملحقة بكل من الأسئلة التالية أو إضافة الإجابة المناسبة في المكان المخصص لذلك .

١ - المؤهل العلمي :-

- ☐ ثانوية عامة أو أقل (يرجى التحديد) _____.
- ☐ دبلوم تخصصي سنتين بعد الثانوية العامة
(يرجى التحديد) _____.
- ☐ درجة جامعية (يرجى تحديد التخصص) _____.
- ☐ دراسات عليا (يرجى تحديد الدرجة العلمية
والتخصص) _____.

٢ - الخبرات العملية (يرجى كتابة عدد السنوات) :-

- ☐ عدد سنوات العمل منذ التحاقك بأول
وظيفة .
- ☐ عدد سنوات العمل بهذه المؤسسة .
- ☐ عدد سنوات العمل في مركزك الوظيفي
الحالي .

٣ - المركز الوظيفي :-

- ☐ مدير عام .
- ☐ نائب / مساعد مدير عام .
- ☐ مدير تنفيذي .
- ☐ نائب / مساعد مدير تنفيذي .
- ☐ مدير فرع / قسم .
- ☐ مشرف .
- ☐ أخرى (يرجى التحديد) _____.

٤ - الجنسية :-

- ☐ بحريني .
- ☐ غير بحريني (يرجى التحديد) _____.

٥ - العمر :-

- ☐ أقل من ٢٥ سنة
- ☐ ٢٥ - ٣٤ سنة
- ☐ ٣٥ - ٤٤ سنة
- ☐ ٤٥ - ٥٤ سنة
- ☐ ٥٥ سنة فأكثر

6. Sex :-

___ male.
___ female.

٦ - الجنس : -
___ ذكـر
___ أنثى

7. Monthly salary (in Bahraini Dinar) :-

___ less than 300
___ 300 - 400
___ 401 - 500
___ 501 - 600
___ 601 - 700
___ 701 - 800
___ 801 - 900
___ 901 - 1000
___ more than 1000 (please specify)___

٧ - المرتب الشهري (بالدينار البحرينى) :-

___ أقل من ٣٠٠
___ ٣٠١ - ٤٠٠
___ ٤٠١ - ٥٠٠
___ ٥٠١ - ٦٠٠
___ ٦٠١ - ٧٠٠
___ ٧٠١ - ٨٠٠
___ ٨٠١ - ٩٠٠
___ ٩٠١ - ١٠٠٠

___ أكثر من ١٠٠٠ (يرجى التحديد)___

- Please use the self-addressed envelop to return the answered questionnaire.
Postage is pre-paid.

- يرجى إعادة الإستبيان بعد الإجابة عليه إلى العنوان
المبين على الظرف المرفق .
علماً بأن أجرة البريد مدفوعة .

Thank you for your co-operation

شكراً لتعاونكم