

**ADDIS ABABA UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**

**MANAGEMENT DEVELOPMENT PRACTICES AND PROBLEMS**  
**IN ETHIO TELECOM**

**BY**

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**Management Development Practices and Problems**

**In Ethio telecom**

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This is to certify that the thesis prepared by Solomon Girma, entitled: **Management Development Practice and Problems in Ethio telecom** and in partial fulfilment of the requirements for the degree of Master of Educational leadership and management complies with the regulations of the University and meets the accepted standards with respected to originality and quality.

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## **ACRONYMS**

BA/BSC = Bachelor of Arts or Bachelor of Science

BA/BSC = Bachelor of art or Bachelor of Science

PHD = Doctor of Philosophy

MD = Management Development

MDP = Management Development program

T and D = Training and Development

MD = Management Development

TNA = Training Need Analysis

MDNA = Management Development Need Analysis

HRD = Human Resource Development

ETC = Ethiopian Telecommunication Corporation

ET = Ethio Telecom

## Abstract

*As the world moves towards a globalized service dominant economy system with experiencing rapid growth, many nations shift from a manufacturing –based economy to service economy, the major factor for this change is the invention of computer technology and advancement in telecommunication. This research was conducted with the objective of assessing management development practices and problems in Ethio telecom, It is an exploration of the issues concerning management development practices in terms of how development needs were assessed, and how the program is evaluated and the strategic position and roles of management development and giving suggestions to improve the effectiveness these activities. The research has adopted a qualitative and quantities approach. The data were gathered through a combination of structured interviews with 5 chief officers and the rest 218 a survey questionnaire were distributed for mangers and officers additionally the company policy and procedure were used as a secondary source of data. The study reveals that, there were absences of systematic management training needs assessment and of effective procedures for evaluation. Regularly the company provided training for managers whenever the mangers up graded to fill new position. Management development program faces many problems: lack of long term plan for developing managers, poor quality management training program, lack of private training centres, inaccurate development need assessment, difficulty to evaluate training and development out comes. Then I recommended that, management development program needs to be a systematic function, linked and derived from the overall organizational strategies, plans and policies, rather than being piecemeal, standalone activities, designed to react to the current organizational conditions In terms of management development need assessment, this process needs to be systematic; training needs should be assessed based on objective systematic techniques rather than being subjective to the mangers direct viewpoints and personal aspects and it should be for all managerial level by emphasizing the need to be on performance appraisal records and job descriptions. When assessing training needs, the analyses should include individual, organizational and job training needs rather than only individuals' needs.*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

As the world moves towards a globalized service dominant economy system with experiencing rapid growth, many nations shift from a manufacturing based economy to service economy, the major factor for this change is the invention of computer technology and advancement in telecommunication. The telecommunication industry is becoming one of the most important industries in the service sector and undergoing a radical transformation creating exciting new opportunities and new challenges for service providers as well as for rapid growth and modernization of various sectors of the economy by contributing to improve efficiency and productivity. The industry has been always growing and plying an important role in the evolution of the society in general, (Desmond 2010)

Basic conventional telecommunications was first used in Africa during the pre-independence era by trading firms in West Africa. It is also believed that similar communication was available In Eastern Africa, around the same period. In Eastern Africa, a legal creation of a postal and telecommunication entity was made in 1893. In general it should be pointed out that major development activities in this field started in Africa in the 1960s.and, it is a painful fact that Africa still lags behind in the development of telecommunications infrastructure mainly due to resources constraints, (Charles .1988)

Like many modern technologies, telecommunication technology was brought to Ethiopia during the regime of Atse Minilik II in 1990 which means telecommunication service were introduced in Ethiopia more than 100years ago passing different stages of technology The first long distance link was made between Addis Ababa and Harare. This project was assigned to the Swiss Engineer Alfred and his associate, Michel Chefneux in 1894. Now the former name of Ethiopian telecommunication corporation has changed to a name called 'Ethio Telecom' in December 2011, with the administration power is given to the France company aiming at overcoming the restraints for the development of telecom infrastructures as they are believed more experienced in telecom industry beside to ensure knowledge transfer and international best practices and

experiences in the industry and thereby improve the quality and competitiveness of the telecom company. In addition, capacity building trainings were given locally and abroad for both management teams and experts in order to enhance the implementing capacity of the subsector. This would in turn enhance Ethio-telecom performance to provide customer oriented and quality services. (ethiotelecom.net.et).. Currently the company providing different telecommunication service in the category of fixed line, mobile, internet and data service and the total number of customer as of December 2013 were mobile subscriber 24 million, fixed line 805,000 and internet 3 million with 9000 employees. However Ethio telecom is the sole provider of the telecom service without competition, it has to see its operation had it been competition. Because globalization and WTO have been forcing the country directly or indirectly to accept private operator. In order to be competent and provide quality service to the customer, efficient and effective management staff is vital.

## **1.2 Statement of the Problem**

Management development program is designed to improve the overall effectiveness of managers in their present position and to prepare them for great responsibility when they are promoted and it became more prevalent in recent years because of increasingly complex demands on managers because training managers through experience alone is a time consuming and unreliable process. To be practical use, management development must be in tune with what managers are expected to achieve, what they actually do, the numerous different role they play, and how well they perform. Furthermore, the benefits for implementing management development program have been widely recognized by many companies. In general it enhances a company's performance by changing the knowledge, skills and attitude of the manager, (prokpenko, 1998).

A major research survey in to management development conducted by the institute of management development in England, show that mangers in the next century will have to be good at strategic planning, responding to and managing change, total quality management, verbal communication, coaching other and delegating responsibility. And also a research undertake by Open University business school and the institute of management to evaluate the current state of management development in British organization /1986/ by Constable and McCormack, finding indicate that almost all managers are satisfied that management development was achieving its objectives and having significant impacts on the organization performance.

As a continuation of the last five year plane, and after concentrating its efforts on education, health, and agriculture, the Ethiopian government has decided to focus on the improvement of telecommunications service, considering them as a key leverage in the development of Ethiopia and Ethio telecom is born from this ambition of supporting the steady growth of the country with mission to develop reliable network infrastructure and to provide the best quality of service to the customer, to insure this Ethiopian government has reach an agreement with France telecom, one of the world leader telecom company, by assuming to improve the company management capabilities through the transfer of world renowned know-how and skill([www.ethiotelecom.et](http://www.ethiotelecom.et)) In appropriate management development plan, inadequate need assessment and less attention to prioritizing need, non-configuration of the development objective with the strategic objective of the company, ineffective implementation, follow up and evaluation of the development program will have negative contribute towards manager performance. Given the importance of management development program, Ethio telecom have been placing managers in to different position but this practice has never been under study for its efficiency and effectiveness. Hence, the main reason that the researcher wanted to conduct this research was to investigate the management development program Practice and challenges in Ethio telecom.

To achieve the intended objective as well as the research problem stated above, the researcher is designed the following questions.

- What is the current practices of management development in Ethio telecom in terms of how is development Needs Assessment (NA) was conducted and how evaluation and follow-up was conducted?
- To what extent the company management development program are in line with the company corporate strategy and change?
- What are the main problems and challenges that influence the effectiveness of management development in the company?

### **1.3 Objective of the Study**

The main objective of this study was to assess the practice and challenges of management development program of Ethio telecom.

To be more specific and to address the research questions, the aim of the study would be:

- 1 To explore the current practices of management development / MD/ in Ethio telecom; in terms of Needs Assessment (NA), and the evaluation process.
- 2 To explore the strategic position and role(s) of MD program of the company: Specifically, to identify whether existing MD program is in line with the strategic objectives of the company and change.
- 3 To identify the most important concerns, problems, and challenges that may face in management development functions and program in Ethio telecom.

### **1.4 Significance of the Study**

The study provides possible suggestions for management development practice of Ethio telecom and it may help the organization to review the management development program and policy. Additionally; the researcher has got a chance to acquire knowledge and practical experience. Furthermore, it will help as a source document and as a stepping stone for those researchers who want to make further study on the area afterwards.

### **1.5 Delimitation of the Study**

Since the study is on the practice and challenges of management development of Ethio telecom, it is only focus on Addis Ababa head office managers, officers and chief officers because the human development department exist only at head office level and the majority of the decision were emanated from head office because there is no officers and chief officer at the region and zonal level. Although there are different program in Ethio telecoms, the study confined to the practice and challenge and challenges of management development program in terms of Needs Assessment (NA), and the evaluation process, and to explore the strategic position and role(s) of MD program of the company: Specifically, to identify whether existing MD program is in line with the strategic objectives of the company and change.

Management is a function of planning organizing, leading, Staffing and controlling. The study is only focuses on the function of staffing which is the process of acquiring, deploying and retaining of employees and management development is one of the strategies to retain the staff of the organization.

## **1.6 Limitation of the Study**

The researcher have face the following major problem; one the constraints was reluctant of some chief officers and mangers to fill out and return the questionnaires on time, shortage of related study conducted before and unable to get some chief officer due to work load as a result out of 10 respondent I have only made an interview with 5 respondent. Finally there was a lack of literature on management development. The researcher has made an extra effort o tackle the entire problem due to this I have got a time constraint and forced to analysis the study with only percentage.

## **1.7 Definition of key Terms**

**Management:** Management is a function of planning organizing, leading, Staffing and controlling. The study is only focuses on the function of staffing which is the process of acquiring, deploying and retaining of employees

**Management Development:** management development refers to the process by which individuals improve their capabilities and learn to perform effectively in managerial roles it means developing the abilities of people to manage in their organizational environment.

**Ethio Telecom:** the Company owned by the government of Ethiopia which is providing a telecom service for the country.

## **1.8 Organization of the study**

The study is organized into five chapters. Chapter one introduced the study by giving the background information, statement of the problem, objectives, and significance of the study, delimitation and limitation of the study. Chapter two is deals with the review of relevant literature on the research problem. Chapter three is discussed the research methodology adopted for the study and relevant justifications. It outlines the methodology for carrying out the

secondary and primary data collections. Chapter four present the findings on management development the practices and challenges in Ethio telecom. Chapter five presents summery and conclusions that were draw from the research findings and recommendations to enhance the management development activities of the company.



## **CHAPTER TWO**

### **2. Review of Related Literature**

#### **2.1 Definition**

From a functionalist perspective, it is generally agreed that management development refers to the process by which individuals improve their capabilities and learn to perform effectively in managerial roles it means developing the abilities of people to manage in their organizational environment. (Mumford, 1991)

Management development is designed to improve the overall effectiveness of managers in their present position and to prepare them for greater responsibilities when they are promoted (stone and Freeman, 1998)

As Mumford explains, management development is all about developing the abilities of people to manage in their organizational environment but stone and freeman argued that it is a design to improve the current managerial capacity and preparing them for future responsibilities.

#### **2.2 Approach and Components of Management Development**

According to (J.Woodall and D.Winstanly, 2002) there are eight approach and component of management development process, formal education and training, action learning, career planning, learning from experience , organization development , open and distance learning ,self-development, management consulting.

##### **2.2.1 Formal Education and Training**

The distinction between education and training is not a precise one. Program which leads to formal qualifications such as an MBA degree, dealing with basic management disciplines such as economics and psychology tends to be lumped together under the heading management education. These are usually longer rather than shorter in duration. Short courses which do not lead to qualifications, and which focus on skills and techniques, tends to be described as management training program. This training can be divided in to two: on the job and off the job training.

## **On the Job Training**

There are four major formal on the job training/development methods:

1 coaching training of employee by his or her immediate supervisor is by far the most effective management development technique. Many firms make a point of training their managers in the fine art of coaching. Conscious manager often keep a “a development file” for each of their employee indicating the training they are receiving the skill they are acquiring and how well they are performing.

2 Job Rotations involves shifting managers from position to position so they can broaden their various aspects of the firms operations.

3 Training position trainees are given staff post immediately under a manager, often with title of “assistance to” such assignment gives trainees a chance to work with and model them after outstanding managers who might otherwise have little contact with them.

planned work activities involves giving trainees important work assignment to develop their experience and abilities .trainee may be asked to head a task force or participate in an important committee meeting such experience help them to gain insight in to how organization operate and also improve their human relation skill.

## **Off the Job Training**

Is remove individuals from the stress and on-going demands of the works place, enabling them to focus fully on the learning experience. In addition, they provide opportunities for meeting people from other department or organization. Thus employees are exposed to useful new ideas and experience while they make potentially useful contact. The most common off the job development method are class room instruction and MD program sponsored by universities and organization (Stoner,Freeman and Gilbert,1998)

### **2.2.2 Action Learning**

Involves a small self-selecting team undertaking a practical real-life and organizational based project. The emphasis is learning by doing with advice and support from tutors and other course members. It is essentially a learner driven process. It is designed to help develop both the manager and the organization to find solution to actual problem. Action learning demands flexibility and fluidity. For many, reared on a diet of chalk and talk, this is a daunting prospect. Typically there is no formal structure with facilitators acting as catalyst rather than as a leader. While some executive are attracted to this, others are wary that action learning cannot be measured in the conventional sense. Indeed it is impossible at the beginning of a program to forecast exactly what benefits each participant will take away with them. Nor can the benefit of action learning be easily related to the bottom line of business performance. But, if it is working effectively, action learning should involve a continuous process of self-evaluation. Action learning is a process applicable to developing leaders as a leader change the way he or she manages based on realities. The focus of action learning is on learning about the process of managing change by actually managing organizational change. It stress the importance of learning about self and the influence that our attitude and assumption on how we lead and make decision in short, rather being taught through case studies or simulation, participant learn through being exposed to real problems and to each other insight(Mullins 2005).

### **2.2.3 Career planning**

The systematic interweaving of management development with career and management succession planning involves a set of inter-linked activities including those listed below (prokopenko, 1998)

#### **A Systematic Evaluation and Grading of Jobs Based on their Content**

Job evaluation and grading is usually first introduction as a base for company-wide salary determination, but it is equally relevant to management development providing a common language to describe and group jobs according to their content. Increasingly such processes involve using the concept of management competence and competency model or standards.

### **A system for Performance Appraisal**

Performance appraisal systems have varied uses- for example to facilitate objective, wage setting, to provide an equitable base for differential compensation or for counselling individuals on performance issues. They also have an important part to play in the process of management development by providing on the other a means of identifying gaps in competence and hence the individual's needs for development.

### **A system for the Assessment of Potential**

No career planning can avoid decisions about the potential of individual managers. These decisions must be translated into actions such as promotion or rotation of personnel. The potential assessment is less concerned with what a manager has achieved and more concerned with how he or she has achieved it. Also the assessment of potential usually involves the use of objective tests to measure such factors test form parts of the apparatus of assessment centres which will also usually involve in-depth interview with senior executives and with professional assessors-usually qualified occupational psychologist.

### **A system of Development List**

The outcome of the previous three activities makes it possible to draw up development lists which then form the basis for future career planning and development. Job can be divided into a number of broad bands, each of which includes three or four distinct salary grades. Atypical development list would consist of the individual in any one of these broad band's who are regarded as having the potential to reach the next highest level within a specific period of time.

The people on this list are then provided with access to development opportunities- whatever form these may take, which are seen as likely to facilitate their transition to the next level. This opportunity ranges from special assignment such as a period of personal assistant to the organization's chairman, through careful selection of post to be filled, so as to provide a broad cross-functional and cross-cultural basis of experience, to attendance of 'high fliers' training programs.

## **Management Resource Planning or Succession Planning**

One of the key features of a structured management development system is succession plan. This is basically a plan for identifying who is currently in post and who is available and qualified to take over in the event of retirement, voluntary leaving, and dismissal or sickness. The normal vehicle for this is a meeting or conference at corporate level, at which information derived from job grading, performance appraisal and assessment of potential will be examined and attention focused in particular on the individual whose name appears on the management development lists. Normally such meeting will be run by the chief executive, closely supported by the personnel director and attended by the top line manager in charge of division. Frequently company also employs specialist management development staff who will play key role in the process. Increasingly the internal "professional" will be supplemented by one or more external consultants.

Management succession planning aims to ensure that a sufficient supply of appropriately qualified and capable men and women are available readily to meet the future needs of the organization. Such men and women should be readily available to fill vacancies caused through retirement, death, resignation, promotion or transfer of staff or through the establishment of new positions. Despite the influence of de-layering, change to the traditional hierarchical structures and less opportunities of jobs for life, there is still an important need for effective succession planning in order to develop internal talent and help maintain loyalty and commitment to the organization. However excessively detailed and rigid career planning has become unrealistic and belongs to the past. The current business environment requires considerable flexibility and adaptability of individual management jobs and total management system; this has strong impact on career patterns. Managers have to be developed in a way that makes them available for a wider array of new positions, including positions that could not be anticipated in outlining their future career path. More open career planning also assumes that, for some managers, their whole career cannot be with the same company, helping individuals to maintain a necessary degree of employability. (J. Mullines, 2005)

## **2.2.4. Organizational Development**

Robert D. and William J. (2007) state that, the term organization development/OD/ is used to describe a planned process of organizational change designed to assist the organization in achieving its strategic goals. It concerns such aspects of the organization as structure, systems and procedures, values and culture, management style, team working and conflict resolution. The first stage in an OD program is normally the diagnostic stage in which answers are sought to such questions as: Where are we now? Where do we want to go? What are the forces helping or preventing us from getting there? What do we have to change in order to enable us to get there? The diagnosis may be made with or without outside assistance although frank objective answers to searching questions are usually more forthcoming when uninvolved third parties intervene. It is increasingly common to use employee opinion survey as a key diagnostic tool. Other approaches include in depth interviews with a sample of employees, discussion groups and interviews with customers or suppliers. The second stage of the process involves planning the action to be taken in order to achieve the requisite change. These actions can include structural changes, changes to systems and procedures, training program, the development of mission statement and the building of cohesive work groups. The objectives of such changes will vary considerably from one situation to other but can include such outcomes: free and open communication between work team, constructive use of conflict, increased cooperation between work team, Greater trust between management and shop-floor, Encouragement of innovation and enterprise, heightened commitment to the organization and its objective, increased job satisfaction, improve quality of product and service, greater retention of key personnel, reduction in the incidence of individual

The third stage is implementation. It is inherent in the nature of the organizational development process that involvement in implementation is essential to its success. The ideas and theories on which organizational development is based strongly indicate that imposed change is relatively ineffective and short-term in achieving the desired result. It is common practice, therefore to set up task force of employees drawn from different functions and different levels to implement organizational changes. They will work with the full support of top management and often with the assistance of external consultants playing the role of “facilitator” or “change agent”. This process is a very different one from the traditional approach to organizational problems.

The final stages are evaluation and consolidation. Having the objectives been achieved? Here again, employee opinion surveys can provide valuable feedback in addition to such things as a measures of quality, of satisfaction, of industrial stoppage or labour turn over. (Prokopenko, 1998)

### **Organization Development and Management Development**

As indeed the term organization development and implies, its focus on the organization, not the manager. The common ground between organization development and management development lies in the notion of the learning organization. From the stand point of human resource development, specialties of organization development will involve some activities. In particular the design or modification of organization structure which is conceptually quite distinct from management development similarly management development will involves some training activities, which are conceptually quite distinct from organizational development. But the overlapping areas between the two lies an activities such as team building, which contribute both to the organization's and to the manager's development.

### **2.2.5 Open and Distance Learning**

The growing use of open and distance learning approach in management development reflect the attractiveness of the ideas that managers should be able to learn at a time, at place to suit themselves. It is also widely believed that most managers, being, mature, experienced people are not excited by traditional, formal methods of learning. Being primarily people of action, they will favor learning close to the job rather than attending long training courses at external institutions some may also be simulated by the use of modern multimedia communication technique. Coffey (1977) define open learning system as removed constraints which would otherwise make them closed. He puts forwards constraints of two kinds:

- 1 Administrative Student must attend at specific place and at specific times or must complete a course of education or training within a specified period of time.
- 2 Educational for example, minimum qualifications for entry and lack of flexibility concerning learning objectives, methods and sequence.

## **2.2.6 Management Self Development**

Management self-development is another way of assisting managers to hone their management skill and perspective at a time of place and pace appropriate to their individual circumstances and motivation. Unlike other approaches where attention has to be paid to schedules, assignment, group interaction and formal evaluation. However, despite more flexible and freedom, self-development requires a great degree of personal discipline and commitment in completing a program and achieving learning objective within reasonable time. To paraphrase the old saying associated with learning” the amount you get out of management self-development is directly related to the amount you get time, effort and commitment you put in “there is no short cut.

The motivation to pursuit management knowledge through self-development must first come from within, before the program is started. In assessing whether or not is able to complete successfully a management self-development program, one must ask oneself a few very difficult question. Do I have a time that required on a daily and weekly base? Are my personal and professional obligations sufficiently under my control to devote myself to the required schedule?

What is my past experience with self-development activities in general such as resolutions concerning exercise, dieting and so on? What is my motivation for pursuing management self-development? Am I perusing this course of study because, given my special circumstances, it is the only realistic way of acquiring this body of knowledge? A significant factor affecting the success of self-development is the extent to which individual managers take advantage of development opportunities around them. This demands that the manager must be able to identify clearly real development needs and goal, to take responsibility for actions to reach these goals and recognize opportunities for learning. Self-development has to be self-initiated. But if this is to be realistic aim of it requires an organizational climate that will encourage managers to develop themselves and the active support of top management. Managers need sufficient authority and flexibility to take advantage of situation which are likely to extend their knowledge and skills. Superior be prepared to delegate new and challenging projects including problem-solving assignments. (J.Mullines 2005)



## **2.2.7 Management Consulting**

The original purpose of management consulting was different from the purpose of management development. In steady of training and developing manager, a management consultant was providing advice on how to solve a particular management problem, or even working out a problem solution individually and submitting this solution to the manager. However ,managers and consultant alike were becoming increasingly aware of the limit of this ways using consultant, the consultant cannot make full use of the client's experience and know how in looking for the best solution. The client manager fail to collaborate closely with the consultant, the consultant cannot make full use of the client's experience and know how in looking for the best solution. The client regards the solution thus produced as someone else's product and does not feel committed to it. The client has learned little or nothing about the consultant approach and method and may have to call the consultant again to deal with the same sort of problem. The solution has been found in various mode of client participation in consulting assignments and in linking management consulting and management development. Modern consulting styles facilitate and encourage the client manager's learning in various ways. The client must be more than an attentive observer, who works together with consultant, sharing ideas, knowledge, information, judgment, feeling, feedback, experiences and assessment of results. Increasingly, consulting project pursue distinct learning objectives. The consulting practice has developed a wide array of methodological approaches and the client are thus in a position to choose among alternative that fit their own personal and organizational learning needs and objectives. Consulting is also used to identify training needs and prepare management and human resource development program, either internal or external .Conversely, consulting projects may be generated by management course and workshops, with the aim of assisting course graduate to apply particular approaches or technique in their organization.

## **2.2.8 Learning from Experience**

Frequently expressed view that' experience is the best teacher "strongly support by a major research project carried out by the center for creative leadership (CCL) in the united states. The CCL researcher argue that, their findings concerning what kinds of experience leads to what kinds of learning can be used to make development on the job much more systematic than it has

been in the past. They cited broad category of experience and factors affecting experience that executive generally report as being potentially developmental they are:

### **Challenging jobs**

These include start-up, fixing troubled operations dealing with crisis and working against tight deadlines. The lesson learned include how to cope with pressure and stress, how to learn new skills and techniques rapidly, and how to deal with problem subordinate.

### **Experience of Other People**

These people serve mainly as a model of values either by representing what to be or do, or what not to be or do.

### **Hardship**

Hardships help people learn their limits. Things like making serious mistake having to lay off employees or close plants and enduring the traumas of personal life cause managers to pause and reflect on what is desirable and also what is possible.

## **2.3 Conditions for Effective Management Development**

In Recent years a consensus has begun to emerge about the most important conditions for effective management development. Briefly, these are management education and training is perceived within the enterprise. Especially by senior managers, as key activities; education and training needs are derived primarily from the strategic plan for the business; the design of education and training program and the selection of learning methods take into account the nature of managerial works; decision about education and training take into account the needs and capacity of individual managers; education and training are seen as a continuous process in which job experience, career progression and opportunities for learning are linked together; and management education and training are systematically reviewed and evaluated to establish their cost –effectiveness each of will be considered in turn .(Mullins,1985)

### **2.3.1 Management Development should be Considered as Key Business Activities**

First the commitment of top management to management development can be demonstrated in various ways. Increasingly, for example the executives responsible for management development take an active part in in-company training program, and lecture at the business schools where they become honorary or visiting fellows. They still also accept that they still have things to learn themselves and find time to attend seminars to keep abreast of new development in management.

### **2.3.2 Management Development Program should be in line with Corporate Strategy and Change**

Enterprises do not remain static. They grow, they diversify, they expand overseas, and they restructure themselves. They also acquire subsidiaries and effect mergers. Not all these things will, of course, be planned or foreseen, certainly not in detail or in precise timing and sequence. In the well managed enterprise, however, they will reflect a corporate purpose or policy and strategy for bringing it to fruition, which has profound implications for both the quantity and quality of managers required. In quantitative terms, this means having managers at each level to meet the changing needs of the enterprise. More importantly, in qualitative terms these managers must be capable of meeting the challenges, both internal and external, that the future will bring. It is the gap between today's level of managerial competence and the demands likely to be made on management in the future which defines training and development needs. At individual level, it requires an appraisal of current performance and an assessment of the existing level of knowledge, skill, and other forms of competence possessed by individual for comparison with the expected future requirements for managerial performance, knowledge and skill. At the level of the management team, it requires an objective assessment of the collective capability of the management of a firms or an enterprise division in such matter as achieving innovation, adapting to change, and securing financial control, launching new products or service, and meeting competition all those matter in fact which reflect the functioning of a management team rather than the performance of individuals. Inevitably, such an assessment is likely to identify not only education and training need in the area of interpersonal skill, communications, leadership, planning and handling information, but also in the less obvious and field of values and attitudes.

### **2.3.3 Management Development Related to Individual Need and Potential**

Where management development is sponsored by business, the anticipated outcomes will be stated in terms of benefits for the business. In order to achieve this, the needs of managers must be studied as well as those of the organization. The evidence suggests that two things are fundamental. First, managers should be able to perceive the development program as a way of achieving the things they variously want to attain, such as personal development, career advancement, a sense of belonging, recognition, esteem, status or other forms of satisfaction.

If attendance at courses is unrelated to these needs, then managers will either find reasons for not attending them or will attend them for the wrong reason, such as taking an extra vacation at the company expense. Secondly, managers must be motivated to learn. This state of mind is quite different from merely being willing to be taught. It implies an active, searching, enquiry approach to learning, and one which, having been developed while attending course, is capable of continuing back on the job, making a reality of the percept that management education is a continuous process. Assessing individuals for development is a more difficult problem and the weakness of traditional approaches is well documented. Appraisal of the individual's personal qualities and potential for higher management by an immediate supervisor is a highly subjective process, in which personal bias and prejudice tend to cloud the issues. Once individuals are assessed as having high potential, they become marked out as favored, collect the best jobs and attend the most prestigious management course until they arrive through the reliable mechanism of the self-fulfilling prophecy, in top management jobs. At this stage it may be difficult to convince them that such a system doesn't necessarily produce the best senior managers. It is no answer, to rely solely on measured performance in relation to well defined objectives or targets as a means of identifying potential senior and top managers. The requirements of jobs change a great deal of managers in the company will one day make a good marketing director, let alone a good chief executive.

### **2.3.4 Management Development as a Continuous Process**

People tend to see education and training as a process which happens to them and in which they have a more or less a passive role. They also see formal courses of education and training largely as episodic processes, which begin on the first day of a program and end on the last day, freeing

the manager to return to the real world, and get on with the job until it is time for the next course. “Learning” however is not something that happens to people: it is something they do and something they can be active rather than passive about. Courses provide opportunities for learning, but so does the job itself, and so do other processes and activities, inside the organization or away from it, in which the individual manager becomes involved. Learning, therefore, does not begin when the course begins, nor stops when the course finished. It proceeds continuously over time, changing from the informal to the more formal modes and back again.

In order to make this concept operational, however certain conditions have to be satisfied. First managers must not only be motivated to learn and be offered learning opportunities, they must also know to take advantage of them, which means learning how to learn. Secondly, few people are capable of sustained learning without supporting relationships and a means of achieving knowledge of result and a sense of progress. Increasingly ,these conditions are being created by means of close and continuing relationships, between an organization and its managers on the one hand, and an episodic nature of management education program, whether these take place within the company or externally.

### **2.3.5 Evaluation and Review**

According to prokopenko (1989) The evaluation of management development program is difficult, because it is not normally possible to establish absolutely precise criteria of management performance. As in other instance where judgment has to be exercised in a condition of uncertainty, however, the provision of relevant data can be an important aid to decision-making. The relevant data in the case of management training include course participant perceptions of the relevance of training program and their impact on performance, assessment of change, and such performance measure as are available in a given managerial situation.

### **3.3 Training Needs Analysis**

Pearce (1997:6) explains that no evaluation of training can be accomplished unless we know what we are trying to achieve. This can be at an individual, work team or organizational level. The individual’s objectives must be aligned with the organization’s objectives. This will lead us to a logical process of identifying training needs. It is also very important to define the individual task requirements and performance standards required. The following should be kept in mind

when identifying training needs for individuals: identify any performance deficiency and agree on training needs, agree on a future development plan and agree on training needs for the individual, evaluate training needs, evaluate those needs against the organization's strategy. According to Whetten and Cameron (1995:21), it is important to identify the training needs of managers to determine their management skills. According to Kleiman (2002), an organization should "employ for attitude and train for skill". The acronym used is CAPS

According to Kleiman (2002), "capacity", that holds up the rest of the pyramid, If an employee does not have the capacity to do the job, nothing else matters. There are two kinds of capacities required for any job. The first is physical capacity and the second is mental capacity. These two are the bare minimum requirements needed for doing any job. The second layer in the pyramid is "attitude". Having ascertained that an employee or applicant has the required capacity, the next step would be to find out if he/she has the attitude needed to do a good job. The third layer of the pyramid is "personality". In considering personality, it should be understood that there are three personality fits to look for. First, the job has a personality. A job that requires an employee to interact with a lot of people would, of course, be best suited to someone who likes working with others. At the peak of the CAPS pyramid is "skill". While it is always possible to train a person in the skills needed to do almost any job, there is simply no way to train someone to have the right mental and physical capacities, attitude, or personality. Thus, always hire in respect of capacity, attitude and personality, and train for skills. Erasmus and van Dyk (1999:53) state that the starting point for planning all organized learning events (this includes management) in an organization would be a comprehensive needs assessment. It is defined as follows:

A broad systematic examination of conditions conducted for the purpose of identifying general differences between what people should know or do and what they actually know or do. A training need analysis is an essential and simple procedure that follows certain steps to decide what is required for doing the job, and assess what the individual can do. There are many methods available to formalize this procedure. A checklist or discussion between the individual and his superior may be used to ensure that training would be the successful approach to close the gaps between the organization's goals and the individual, there should be a connection between the problem and the solution, between the need for the training and the nature of the training. The common practice in so many studies is that the candidate's needs are disregarded

and also that no training needs analysis is made before the training program are developed. Just as psychometric test results provide useful additional information, so should training material and systems be used by enterprises as useful additional information and not be used as the norm (van dyk, *et al*, 1995).

### **3.3.1 Levels of Training Needs Analysis**

According to Erasmus, (2003), training needs assessment should cover three key areas, namely the organization, the job and the individual. In the organizational assessment, the proposed training needed in the organization is considered. It is also important to determine the impact that training in one department could have on other departments. An important consideration, however, is whether or not the proposed training will be compatible with the organization's mission, strategy, goals, and culture. The second crucial aspect is the job with its duties and responsibilities and is called "task analysis". For this analysis, different methods are used; for example, the critical incident and Delphi technique. The third and final analysis focuses on the individual's needs. Here, it should be determined which employees should receive training and what their current levels of skill and knowledge are. Individuals may be nominated on the basis of their past performance, but the trainer should assess, or at least estimate, the skill and knowledge levels of the chosen trainees, so that the training fits their needs. If an individual assessment indicates that a wide range of skills and knowledge is required, it is advisable to group employees together into basic and advanced groups. Erasmus *et al* (2003:454) explain the training needs assessment phase model:

It is clear that successful training begins with a needs assessment to determine which employee should be trained and what he or she should be trained to do. The training needs analysis phases are formulated from a set of objectives that state the purpose of the training and the competencies required of the trainees once they complete the training program. According to Erasmus *et al* (2003:455), a needs analysis requires time, money and expertise. Unfortunately, many organizations undertake training without making this essential preliminary investment. Often, there is no systematic plan to predict future training needs or to determine whether perceived needs can be met and problems be solved by training. If training has taken place without a careful analysis of requirements, it is likely to be ineffective, reducing the motivation of employees to attend future training program. The model below may be used as a training assessment tool:

According to Erasmus *et al* (2003:455), Phase One is an investigation into the nature of performance problems. Its purpose is to determine the underlying causes of the performance problems and the way in which they can be resolved through training. This phase is a process of instructions that will give the necessary information to design the training program. The difference between the required standard set according to which the job should be performed and the person's actual performance is referred to as the "training gap". The starting point for any training and development is identifying the needs. The needs identification is not a routine function, but should be made in a careful, diagnostic way. The aim is to establish what those needs are – whether they are important; how they manifest themselves; up to the identification itself. After identifying the training needs, there should also be guidelines on how they should be met and, lastly, they should be prioritized the proposed training should be aligned with the organization's goals, vision, mission and culture. The responsibility brought about by a need analysis is that of defining a task analysis. The critical incident is a method used in task analysis. The purpose of this is to ascertain whether the task is important and the training is essential. This will help in the selection of employees that should be subjected to training interventions, taking into consideration the employee's current skills level and knowledge. Needs identifications during the needs analysis should be translated into measurable objectives. This would guide the training project. Training objectives should tie into behavior, so that a learner should demonstrate competency.

### **3.3.2 Scope of Training**

According to Pearce (1997:7) one of the last steps in the assessment phase of training is to translate the needs identified by the organization into task and individual training needs are analyzed into measurable objectives to guide the training process. Training objectives should have some boundaries. The boundaries are normally a joint venture between the organization strategy and the motivation and development of the individual. Below are some of the training needs that an organization can focus on if it is serious about investing in its people: Induction training for newly appointed employees, Training to meet current job requirements, Flexibility training to allow a wider range of tasks to be done (multi-skills), Training for the next post up the promotion ladder, Long-term development training, Continuous professional development over the whole working life, Language skills program (due to multi-cultural management and the labor force). The question often arises in relation to long-term development as to what an organization should support by way of training and development activities. The answer to this question might be to provide support for



training and development relevant to the individual's career prospects, or to take a view that any development is beneficial, and to exercise control through some theoretical annual entitlement. When deciding how far to go, the limits of an individual's potential should be kept in mind. According to Pearce, (1997:7) the acquisition of additional skills and knowledge should not be so far out of step with the person's current work that there is no real no chance for him/her to practice those skills in the course of his/her normal work after being trained. If this happens, it might discourage the individual from wanting future training. Van dyk, (1995) state that the mission of training is to bring about the behaviour changes required to meet management goals, but they emphasize that the results should be measurable in terms of the organization's requirements. Training should be results-orientated, measurable, and make a real contribution to improving both the goal achievement and internal efficiency of the organization. Selecting the training philosophy that fits best is the specific expertise of the skills trainer. All too often, the reason for training is based on tradition or reaction. One such a force is the misguided belief that training improves productivity. Training is a tool that creates knowledge and skills for tomorrow's demands and not just for repeating the efficiency of yesterday's profile. Managerial functions are very important, complex, and challenging and, therefore, many organizations give regular management training.

### **3.3.3 Need of the Individual**

In today's world, "training" has become the buzzword, but research has shown that training is not the only key to success. There are many instances where changing an individual's behaviour might be more appropriate and could lead to an increase in productivity. Changing the individual's behaviour is part of the results of training. However, in today's business world, it should be remembered that skilled behaviours are no substitute for basic skills and knowledge. Robbins (2003:496) states that effective formal training should be individualized to reflect the learning style of the employee. Some people learn by watching others do the work and then copy it, and then being able to do it as well as it should be done. Others listen well and that becomes the method they use to grasp the concept. Then there are those who gain hands-on experience by practicing. If the preferred style of an employee is known, a formal training program can be designed to optimize that preference. If that information is not available, the best practice would be to design a program that utilizes a variety of learning styles.

### **3.3.4 Needs of the Organization**

Organizations have training needs, both in terms of implementation of current strategies and in managing changes in the internal and external environment. From a business point of view, it is very important to establish the real need, because of the cost involved. The individual's needs and the organization's needs should be aligned.

All the alternatives should be considered before making any decisions about a training course. People can be developed in house, or attend special training courses for development (Pearce, 1997). In the research of (Garavan, 1997), he found that industrial and organizational psychology indicates that the training and development of employees at all levels in the organization are regarded as a vital component in maintaining competitiveness in the international arena. This is supported by the view that training, development and education strategies are the key means to reduce the inefficiency of the employment relationship and to obtain a competitive labour market outcome. One of the main focuses of human resource development is learning, with the principle aim being to realize the objectives of both the organization and the individual. The importance of human resource development as a means of ensuring that organizations maintain their competitiveness in an ever-changing environment cannot be overemphasized. An organization that seeks excellence recognizes the need for employee training and skill development. What matters most is the conversion of technology through people into better organizational performance the workplace skills plan refers to strategic human resource training and development aimed at developing the work-force skills capacity and thereby achieving the business goals contained in the business plan.

### **3.3.6 Assessment and Evaluation**

It is important that the individuals are evaluated from the onset, for it would clarify what should be achieved before the training commences. It would also indicate the current level of competence.

According to Erasmus *et al* (1999:108), one of the first steps is to set a standard in order to determine the training needs, especially in enterprises that accommodate a variety of functions. The next step would be to determine the performance gap (the difference between the optimal performance of the individual and the knowledge of the individual). A few methods can be used to determine the

optimum standards, such as needs determination models, subject specialists, and job analyses. Determining the standard still does not indicate the gap. The next step would be to determine the actual performance of the individual. This can be achieved through various needs assessment techniques and methods. The analysis of training needs may possibly be required when one of the following three situations arises: Performance problems, such as low morale and unusual complaints, High level of absenteeism, Low productivity, lack of knowledge, Customer dissatisfaction Introduction of new work methods.

### **3.4 Levels of Training Needs and Approaches**

According to Cole, A. (1995), training needs are found at various levels, in enterprises, and they can be categorized into three levels, namely macro-level, meso level and micro-level.

#### **3.4.1 Macro-Level Needs**

Macro-level needs are those training needs that are found both nationally and internationally. Political, social and economic conditions have a huge impact on business and training. Technological development compels enterprises to keep abreast of the latest technical methods to ensure profitability. Organizations can prevent the impact of worldwide trends by being proactive and meeting their training needs in advance.

#### **3.4.2 Meso-Level Needs**

Needs assessment at the organizational level focuses on the enterprise, as a whole, and factors, such as changing the organizational objectives, the availability and utilization of resources, as well as a change in the organizational climate, can give rise to training needs. It is also important to take note of the organizational structure to determine whether there may be structural problems.

#### **3.4.3 Micro-Level Needs**

For micro-level needs, an analysis should be made of the operational level and the employee performance. According to Stockley (2005), before quantifying the economic and other benefits of training, the first step should be to identify the gap in the performance due to the fact that some aspects of the individual's or organizational performance should be improved. Some

organizations proceed with training because it is believed that it will add value to their organization. It is believed that the benefit gained would outweigh the economic costs.

### **3.5 Measurements and Evaluation**

Compared to the measurement and evaluation of changes in managerial skills or organizational behaviour, it is relatively easy to measure and evaluate the changes in physical skills. The aim is to measure all the specific components, utilizing a scientific approach of measuring prior to and after training interventions. According to (Pearce 1997:10), the main reason for measurement prior to training interventions is to determine the candidate's initial skills and the effectiveness of the training intervention. There are many ways of evaluating training. In studies where the candidate is taking part in a lengthy program for example a MBA or MDP program, which range from one year to four years, a good manager will carry out informal reviews as the training progresses. It is also important to monitor the candidates on a regular basis with in-house programs. When monitoring the candidate's progress, a performance deficiency can be identified. This can be achieved by comparing the current results with the set targets; and, if a contradiction emerges it can be dealt with by applying various techniques.

Evaluation compiles the big picture out of a lot of components. According to Smit and Cronje (2005:146) evaluation should take place at the end of a performance period; the superior should meet with the subordinates to review the degree of goal attainment. The point that needs to be discussed should focus on the goals and the results achieved against those targets. The next point should be the progress of the subordinates against set targets. It is clear that evaluation can only be done after a training need has been identified and the person has been trained in a specific discipline, the best time to do such a evaluation will be between three or six months after completion of the training. Kirkpatrick Model is one of the better models to use to evaluate training. This model consists of the following four questions:

**Reaction** – how participants feel about the training event – this often relates to the content of the training subject.

**Learning** – whether or not the participants have learnt new or different knowledge of skills.

**Behaviour** – whether or not, as a result of their reaction to the training and the learning gained, they changed their behaviour – did their new knowledge, skills and/or attitude make a difference to their behaviour?

**Organizational impact** – the effect on organizational functioning, e.g. better customer service, improved productivity.

It is also important that training should not be evaluated at a financial level only. A good training event will help the morale and team spirit intangibles that can increase productivity and performance. Often, employee training fails to give the value it should for the organization. A major reason for this is that, too often, training is viewed tactically rather than strategically. It is not connected to overall organizational goals and strategy. Many organizations view training as something to be implemented when the time and budget allow it. Those that use training to maximum advantage view it differently. Training is how skills are developed, attitudes are changed, ideas evolve, and the organization is re-invented. A new culture is created as employees learn the skills that will increase sales, build effective teams, improve quality standards, or meet a wide range of other objectives. To make training cost-effective, it is necessary to ask five questions, according to Daniels (2006): Who needs training? Who will deliver the training? What form will the training take?

How will the training be transferred to the job? How will the training be evaluated? Training can bring extraordinary improvements to any organization. The key to getting the most returns on an organization's investment in training is to view it strategically rather than tactically.

## **CHAPTER THREE**

### **Research Design and Methodology**

#### **3.1 The Research Design**

Research design is a framework or structure for data collection and analysis. It is a plan for conducting research, which usually contains specifications of elements to be investigated and the procedures to be followed it is about organizing research activities, including data collection, and analysing it in such ways that help to achieve the research aims. Oppenheim (1992) points out that the term research design refers to a 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. The choice of research methodology in social research has become a debated and problematic issue. However, there is neither an appropriate nor inappropriate research methodology until it is applied to a specific problem. In deciding the right methodology or design, there are many important factors which should be taken into account. First of all, the nature of research questions and objective and choosing the best design or best method is a matter of appropriateness. The main objective of this study was to investigate the practice and challenges of management development, the researcher decided to use descriptive survey type of research design which is concerned with the present situation and attempts to determine the status of the phenomenon under investigation

Therefore by considering the above, the descriptive survey is help to see the actual practice of management development activities like how need is assessed, how and when the development is evaluated and it was also assisted to gather information regarding to the problem and challenges encountered during implementing MD program. Finally it was used to determine the current status of the management development activities of the organization through fact finding by using primary data collection and document analysis.

#### **3.2 Sources of Data**

The necessary data for this study was collected from both primary and secondary sources. The primary was collected from mangers, officers and chief officers who were working in different section, department and division who were working in different division regardless of their

experience at the head office level. The secondary data will be collected from relevant documents like policies, procedure and manual, organization reports, newspapers and magazines that are related to the study, materials was downloaded from web sites.

### **3.3 Sampling and Sampling Techniques**

#### **3.3.1 Target Population**

It is useful to start this section by identifying many reasons behind choosing ethio telecom as place to conduct this research. Importantly, it is the working place of the researcher, which means that the researcher was able to collect the required information for his research without any difficulties regarding organizational cultural difference, time issues, and so on. The other important reason was that there was a shortage of empirical studies concerning MD in Ethiopia as well as in Ethio telecom. Sekaran (2003) defines a research population as the entire group of people, events, or things of interest that the researcher wishes to investigate. The target population of this study was all managers, officers and chief officers who are working in head office.

#### **3.3.2 Sample**

Three criteria usually will need to be specified to determine the appropriate sample size: the level of precision, the level of confidence or risk, and the degree of variability in the attributes being measured (Miaoulis and Michener, 1976).Ethio telecom staffs were arranged /organized/ from A to G level. Staff which is arranged from A to D level are non-managerial and the rest from E to G are managerial, by considering the above, all managerial staffs were used for the study and as of January 01/01/2014 they are 218 in number. Because the population of this research is small, the study targeted the entire population. In this context, Easterby-Smith et al. (2002) point out that, when the population is small, it is customary to send the questionnaire to all members. This 100 per cent sample is known as a census. Therefore, the entire population, which consists of 218 managers, officers and chief officers according to their reports for the year 2014, was targeted as a sample for this study. The main reason for choosing the entire population is to ensure that the sample is representative and not biased.

### **3.4 Instrument and Procedure of Data Collection**

#### **3.4.1 Instrument of Data Collection**

There are many methods which could be used to collect research data. Oppenheim (1999) .Data could be gathered by interviews, questionnaires archival records depending on the nature of the study. In this study, in order to answer the research question and to meet the objective, the researcher was decided to use multi method approach which is face to face interview, self-administered questionnaires (delivered and collected by the researcher).

#### **3.4.2 Data Collection Procedure**

The researcher was used the interview and questionnaires that combines three points which is multiple choices, yes/no and open ended was distributed to managers, officers and chief officers. And interview was conducted with 5 respondents. Questionnaires were the most widely used data collection method in a survey strategy. However, both experiment and case study can make use of this technique. Questionnaires are used widely in social science research and obtain the required data from a relatively large number of respondents in an economic way. It is defined as "a reformulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives" (Sekaran, 2003).

### **3.5 Methods of Data Analysis**

In order to achieve the objectives of the study, a number of statistical techniques were used in primary data analysis: In this study to analyse the primary data, descriptive data analysis method was employed the justifications and rational reasons for using the statistical techniques in analysing the data are now given below:

#### **Descriptive Statistics**

Descriptive statistics, also called exploratory statistics, involve the transformation of raw data into a form that would provide information to describe a set of factors in a situation. This is accomplished through ordering and manipulating the raw data collected (Sekaran, 2003). Descriptive statistics include frequencies, measure of central tendency (mean, median and mode) and measure of dispersion (range, Standard deviation). In this regard, Hair et al. (2003: p. 252)



declare that, data is collected in business research for two broad purposes-discovery and Hypothesis testing. When the purpose is discovery the researcher uses descriptive Statistics. When the purpose is hypothesis testing the researcher uses inferential Statistics.

### **Qualitative Data Analysis**

There is no standardized approach to analyse qualitative data since the nature of qualitative data implies that it cannot be collected in a standardized way. Therefore there are many qualitative research traditions and approaches with the result that there are also different strategies to deal with the data collected (Saunders et al., 2000). The analysis process of the research qualitative data was started after the researcher collect necessary data then after involves disaggregating the mass of qualitative data into meaningful parts or categories. This was allowed the researcher to rearranging and analysing these data systematically and rigorously. Adopting this approach helps to transform the nature of the data in order to understand and manage them, uniting or merge related data drawn from different transcripts and notes, identifying key themes or patterns from them for further exploration, developing propositions based on these apparent patterns or relationships, and drawing and validating conclusions. So, the researcher was started by categorizing the data into meaningful categories, unitizing the data which is about attaching units of data to the appropriate category. These steps was followed by recognizing relationships and developing categories by designing or reorganizing the data in a suitable matrix and placing the data gathered within its cells and the researcher was also used many analytical methods in addition to recording the interviews which had supported in analysing the qualitative data, such as summaries, self-memos and the researcher's diary.

### **3.6 Ethical considerations**

The researcher maintained scientific objectivity throughout the study, recognizing the limitations of his competence. Every person involved in the study was entitled to the right of privacy and dignity of treatment, and no personal harm was caused to subjects in the research. Information obtained was held in strict confidentiality by the researcher. All assistance, collaboration of others and sources from which information was drawn is acknowledged.

## **CHAPTER FOUR**

### **4.1 Presentation, Analysis and Interpretation of Data**

This chapter deals with presentation, analysis and interpretation of the data obtained from Ethio telecom managers and officers.

The first part of the chapter present the back ground of the respondent, whereas the second part describes about the practice and challenges of management development program based on the data obtained through questionnaires ,interview and document analysis. The data gathered through questionnaires were analysed using percentage and mean.

A total of 218 were included in the study, out of this 169 were mangers and 49 were officers all questionnaires were filled and returned. More over interview was done with different division chief officers.

### **4.2 Characteristics of the Respondent**

Analysing the characteristics of the respondent will help to know whether the data obtained from the respondent is reliable or not and to determine the knowledge of the respondent about the topic of the study through their work experience, educational background and age.

As shown in the table 1 above, out of 218 respondents, 192(88.1%) were male, whereas 26(11.9%) were female. Specifically, while 148(87.6%) of managers were male and 21(12.4%) of them where female. This visibly indicates that the administration position of Ethio telecom had been highly dominated by male.

Regarding age of the respondent, majority of them were between the three age intervals, the interval were, between 21-30 years of age which account 128(58%) of the total respondent, more specifically while, 118(69.8%) of the managers and 10(20.4%) of officers were 21-30 age intervals, 27(15.97%) of the managers and 30(61.2%) of the officers were between 31-40 age of intervals. In addition, 19(11.2%) of the managers and 7(14.2%) of the officers were between 41-50 age of intervals. Thus this implies that under normal circumstance they were matured enough and can express their ideas related to the study consistently and with better understanding. Therefore, there judgment and opinion can be taken as acceptable to the study.

With regards to work experience of the respondent, majority 157/71.4% of the respondent has 11-15 service years of experience. Explicitly, 30/17.7% of the managers and 5/10.2% of the officers had service years of 6-10 years. Whereas 122/72.2% of the managers and 35/71.4% of the officers had 11-15 years of experience and 17/10.1% of the managers 9/18.4% of the officers had more than 16 years of experience this implies that there were adequate number of respondent that can provide better information on the practice and challenges of MD program thus the data obtained from the respondent could be dependable in terms of service years.

With respect to educational background of the respondent 169/90% of the respondent have first degree holders while 21/9.6% of the respondent have second degree. The tables also treat the respondent qualification separately. As per the company policy and procedure the minimum qualification for supervisor and managers were first degree hence it can be concluded that almost all sampled managers were qualified to the position they held.

**Table 1 Characteristics of the Respondent**

Description		Managers		Officers		Total	
		No	%	No	%	No	%
Sex	Male	148	87.6%	44	89.8%	192	88.1%
	Female	21	12.4%	5	10.2%	26	11.9%
	Total	169	100%	49	100%	218	100%
Age	21-30 years	27	15.9%	30	61.2%	57	26.1%
	31-40 years	118	69.8	10	20.4	128	58.7%
	41-50 years	19	11.2%	7	14.2%	26	11.9%
	Above 51 years	5	2.9%	2	4.1%	7	3.2%
	Total	169	100%	49	100%	218	100%
Service years	1-5 years	0	0	0	0	0	0
	6-10 years	30	17.7%	5	10.2%	35	16.1%
	11-15 years	122	72.2%	35	71.4%	157	72%
	16 years and above	17	10.1%	9	18.4%	26	11.9%
	Total	169	100%	49	100%	218	100%
Qualification	Diploma	1	.5%	0	0	1	.4%
	BA/BSC	152	89.9%	44	89.8%	196	90%
	MA/MSC	16	9.5	5	10.2%	21	9.6%
	Total	169	100%	49	100%	218	100%

### 4.3 Current Practice of Management Development

Table 2 shows that 119/54.6% of the participants agreed that their organizations conduct MDNA sometimes and 46/21% of the respondent said mostly. However, almost 16/7.3% of the participants respond that the organizations has never conduct TNA whereas 24/11% replied that their organizations seldom conduct TNA. According to Whetten and Cameron (1995:21), it is important to identify the training needs of managers to determine their management skills and identify the gap of skill. More attention should be given to MDNA, which determines the gap between what is happening and what is supposed to happen, in order to maximize organizational performance. MDNA is very important and should be conducted based on a systematic needs analysis, including organizational needs analysis, job needs analysis and employees' and managers' needs analyses, in order to design a successful and comprehensive MD program.

As per the interview made with the chief human resource officer, he said

*“The company has been regularly conducting need assessment only for non-managerial staff. Sometimes the manager’s request their own needs to their immediate officers and their immediate officer will forward the request to human resource division then based on their request the division will provide the necessary training so as to satisfy their needs”* (code,F,30/04/2014).Based on the above finding we can conclude that the company were not giving due attention for managers gap of skill created due to different reason and there is no clearly stated long term plan for the development mangers capacity.

**Table 2 Conducting Management Development Need Assessment**

	Frequency	Per cent	Valid per cent	Cumulative per cent
Never	16	7.3	7.3	7.3
Rarely	24	11.0	11.0	18.3
Sometimes	119	54.6	54.6	72.9
Mostly	46	21.1	21.1	94.
Always	13	6.	6	100.0
Total	218	100.0	100.0	

Table 3 shows that 196/88.3% of the overall participants declared that group interview is the most popular MDNA method 76/34.2 % of the participants declared that they depend sometimes on personal face to face interview with managers or supervisors. More than 205/92% of the participants declared that the company had never used performance appraisal information, questionnaire and job descriptions for training need assessment. Therefore, as table 2 clearly illustrates that whenever the company undertakes need assessment, they were using group interview and sometimes personal face to face interview as tool.

In this context one manager said,

*"The important thing about MDNA is that needs are assessed based on the nature and type of the relationships between the employee and his/her direct manager, who is responsible for nominating her/him to attend any training program; rather than being based on the annual employee performance record. Managers' mood, their preferences to one particular employee, is the most important motives in nominating trainees. Particularly choosing to attend training course held outside Ethiopia"(code,M,30/04/2014)*

**Table 3 Management Development Need Assessment Methods/Approaches/**

	Never		Rarely		Sometimes		Mostly		Always	
	f	%	f	%	f	%	f	%	f	%
Questionnaires	212	95.5	6	2.7						
Personal face to face interview	30	13.5	40	18.3	76	34.2	38	17.1	34	15.3
Group interview with manager and supervisor	-	-	-	-	12	5.4	10	4.5	196	88.3
Performance appraisal information or result	209	94.5	9	4.1	-	-	-	-	-	-
Through a job descriptions for individuals in your company	205	92.3	13	5.9	-	-	-	-	-	-
Other, please specify										

Table 4 shows that 169/76.1% /of the participants declared that MDNA is conducted annually and 25/11.3%/ said the need assessment is conducted every half year. The rest 9/4.1%/ and

15/6.8% of the respondent said every half years and 5 year and more. Even though the above table depicted the need assessment is annually, the training officers said that need assessment which is conducted every year is only for non-management staff but during this time the managers sometimes asked by their immediate officers whether they have a gap of skill related with their current position.

**Table 4 Conducting Management Development Need Assessment**

	Frequency	Percent
Every half year	25	11.3
Annually	169	76.1
Every 2-3 years	9	4.1
5 years and more	15	6.8

Table 5 shows that introduction of new work tools, lack of knowledge and lack of skills representing, respectively, 70/31.5%, 75/33.8% and 79/35.6%, were considered as the most important indicators taken into account when assessing training needs. Low profitability, customer dissatisfaction, poor performance which represented, respectively, 217/97%, 91/41% and 76/34%, were considered as the indicators that were taken into account to a small and a very small extent for indicators of management development. The above finding shows that introduction of new work tools, lack of knowledge and lack of skills are the most indicators of MDNA but poor performance, customer dissatisfaction and low profitability will have never be used as an indicator MDNA. In this regards, one chief officer stated.

*"Management development needs should be assessed using scientific methods, based on employees' performance appraisal records. We need to know how to assess development need accurately, how to nominate our employees and how to choose the trainers"(code, CF.30/04/2014)*

**Table 5 Indicators to Assess Development Needs**

	Very high		High		Medium		Low		Very low	
	f	%	f	%	f	%	f	%	f	%
lack of knowledge	65	29.3	70	31.5	24	10.8	30	13.5	29	13.3
Lack of skill	75	33.8	65	29.3	28	12.6	24	10.8	26	11.7
Poor performance	27	12.2	13	5.9	16	7.2	86	38.7	76	34.2
Customer dissatisfaction	9	4.2	15	6.8	29	13.1	74	33.3	91	41
Low profitability	-	-	-	-	-	-	-	-	217	97.7
Introduction of new work method	79	35.6	64	28.8	20	9	29	13.1	26	11.7
Other, please specify	-	-	-	-	-	-	-	-	-	-

Table 6 shows that 144/ 64%/ of the participants agreed that T&D is regularly provided when employees/managers upgraded to fill new position first and foremost provided and when managers needs training on new working methods or techniques 140/63.1%/.The second important condition for providing training was when departments request the training/120/54.1%/ and when the managers request the training 135/60.8%/. However 218/100%/ of the participants declared that the company were never conduct a training when mangers are newly recruited and when performance appraisal show some gaps 60/27%/.

As per the interim delegation rule of the company, managers will not be recruited from external market rather they will upgrade from the existing staff. Each representative division will select possible potential candidate for the vacant officer/N2/and managers/N3/ position. A formal BOD'S/ board of directors / will be requested for officers. While formal CEO validation will be requested for/N3/managers. Then CEO will write a formal interim letter including job description and objective for the next 3 month to the employees. Based on the document analysis, any managers or officers can be assigned or nominated from the lower level without excising the supervisory level/N4/



**Table 6 Condition under Which Training is provided**

	Never		Rarely		Sometimes		Mostly		Always	
	f	%	f	%	f	%	f	%	f	%
When managers are newly recruited.	218	100								
When managers need training on new, technologies equipment's and new working methods	12	5.4	18	8.1	8	3.6	40	18	140	63.1
When performance appraisal assessment show some gap	60	27.0	45	20.3	55	24.8	21	9.5	37	16.7
When employees/managers up graded to fill new positions	13	5.9	9	4.1	11	5	41	18.5	144	64.9
When a departments request it	7	3.2	13	5.9	120	54.1	45	20.3	33	14.9
When the managers request it	7	3.2	13	5.9	135	60.8	35	15.8	28	12.6
Other, please specify										

#### **4.4 The Strategic Position of Management Development**

In order to be strategic, management development program should considered as a key business activities, it should be in line with corporate strategy and change, it should be related to individual needs and potential and finally should be a continuous process. . (Mullins, 1985)

As shown in table 7 94% agreed that training plans and polices are integrated with the overall company strategies. Also, 90% declared that training plans and policies are not formal (written) and 89% said that training plan and policies are informal, 85% agreed that there is specific budget for training and development and it is sufficient to achieve the T and D objective, 72.9% agreed that MDP are flexible and adaptable only 17 % disagree about the flexibility and adaptability of the MDP,75% of the respondent declared that T and D is a means for corporate strategy,74% of the respondent disagree about Training and development activities are isolated,

tactical,, piecemeal , planned interventions conducted to react to the current organizational challenges or circumstances. In this regards, the chief human resource said

*"Management development plan and policy are in harmony with the overall company strategy and they are subject to change any time which means they are flexible, but they are not written or formal"*(code,CF,30/04/2014)

**Table 7 The Extent to Which Management Development is Strategic**

	SD		DS		UN		A		SA	
	f	%	f	%	f	%	f	%	f	%
The MDP is in line with the overall company strategy	–	-	-	-	-	-	205	94	13	6
There is a formal and written training and development plan and policy	196	90	-	-	-	-	9	4.1	13	5.9
Informal unwritten T&D plans and policy	-	-	-	-	-	-	195	89	23	11
There is a specific budget for T&D	-	-	-	-	-	-	185	85	33	15
The budget is sufficient to achieve T&D Objectives.	-	-	-	-	-	-	185	85	33	15
MDP are flexible and adaptable	13	5.9	17	7.7	-	-	159	72.9	25	11.4
Training and devolvement is the means for implementing corporate strategy and achieving goal.	9	4	25	11.	15	6.8	165	75.	4	1.8
Training and development activities are isolated, tactical,, piecemeal , planned interventions conducted to react to the current organizational challenges or circumstances	162	74	11	5	16	7.3	23	10.6	6	2.8

#### 4.5 Evaluation and follow up

Table 8 shows that 109/49.1% of the participants agreed that asking to fill a questionnaire and interviewing at the end of each development program was the most common and frequently used

evaluation method. All 218/99% /of the participants asserted that they never tested before and after any development program.

Regarding training evaluation, the training manager of Ethio telecom admitted that not much has been done in terms of training evaluation which is only limited to immediate assessment of trainers, trainees and training program during and sometimes after completion of training. As per the interview made with one chief officer, he said that

*"In evaluating the trainees we depend on their reaction toward the T&D course in addition to asking the trainers about the trainees, what is more we sometimes ask those trainees to do a presentation for what he/she learnt from the course, but of course that is not always."*(Code, CF, 30/04/2014)

**Table 8 Evaluation Tool and Techniques**

Evaluation tools and techniques	Never		Rarely		Some times		mostly		always	
	f	%			f	%	f	%	f	%
Asking to fill a questionnaire at the end of the program	-	-	-	-	-	-	109	49.9	109	49.1
Interviewing at the end of each development program	-	-	-	-	-	-	54	24.3	164	73.9
Testing the participant before and after the program (pre and post test	218	99	-	-	-	-	-	-	-	-
Performance appraisal reports	218	99	-	-	-	-	-	-	-	-
Other										

Table 9 shows that the evaluation and follow up stages for T&D program in Ethio telecom generally face some difficulties and challenges. These were found to be: absence of job description 128/57.7%/, time required to do evaluation well 128/57.7%/, difficulties in measuring the change of trainees' behaviours' over a short period of time (143/64.4%); On the other hand, participants' refused high cost of evaluation 208/93.7%/ and lack of knowledge about evaluation 208/93.7%/ as difficulties with evaluation process in Ethio telecom.

**Table 9 Evaluation challenge and Difficulty**

	strongly agree		agree		undecided		disagree		strongly disagree	
	f	%	f	%	f	%	f	%	f	%
Difficulties in measuring them performance's improvement in certain jobs	10	4.5	10	4.5	14	6.3	30	13.5	154	69.4
High cost evaluation process	-	-	-	-	-	-	208	93.7	10	4.5
Most of training and development outcomes are subjective in nature.	35	15.8	23	10.4	10	4.5	128	57.7	22	9.9
Lack of knowledge about evaluation process	-	-	-	-	-	-	10	4.5	208	93.7
Absence of job description	22	9.9	128	57.7	10	4.5	23	10.4	35	15.8
Time required to do evaluation well	128	57.7	23	10.4	10	4.5	35	15.8	22	9.9
Difficulties in measuring the change of trainees' behaviours over a short period of time	143	64.4	57	25.7	9	4.1	6	2.7	3	1.4
Training and development objectives are not clear	1	.5	48	21.6	2	0.9	15	6.8	152	68.8
Other	-	-	-	-	-	-	-	-	-	-

#### **4.6 Problem and Challenges of Management Development Program**

It presents and analyses the findings regarding the current management development program problems and challenges in Ethio telecom in other words, the factors that might impede the effectiveness of management development functions and program in Ethio telecom. As Table 10 shows, 154/69.4% of the participants believed that lack of long term plan for developing managers was the most important factor that contributes to management development program failure. Another important MD challenge was the inaccurate TNA process, agreed by 210/98.4% of the participants, followed by poor quality management training program. 136/61.3% of the participants believed that lack of on-the-job training was one of T&D challenges, in addition to the lack of private training centre.

This was supported by interview with chief human resource officer and he has declared that

*“The major factors that hinders the implementation of management development program in the company was lack of appropriate need assessment and absence of long term plan so as to increase the capacity of the exiting managers.” (code,CF,30/04/2014)*

**Table 10 Possible Factors that Hinder Management Development Program Implementation**

Possible factors that might hinder management development	strongly agree		Agree		undecided		disagree		strongly disagree	
	f	%	f	%	f	%	f	%	f	%
Lack of long-term plan for developing managers	64	28.8	154	69.4	-	-	-	-	-	-
Poor co-operation and co-ordination between the various departments and the training and development department/division	109	49.1	54	24.3	-	-	31	14	24	10.8
Poor quality management training program	8	3.6	210	94.6	-	-	-	-	-	-
Inaccurate management development need assessment	8	3.6	210	98.2	-	-	-	-	-	-
Lack of on-the-job training	45	20.3	136	61.3	-	-	19	8.6	18	8.1
Lack of private training centres	30	13.5	155	69.8	-	-	18	8.1	15	6.8
Discrepancy between the provided training and development and job skills	12	5.4	15	6.8	-	-	17	7.9	15	6.8
Work environment does not support new behaviours learned in training and development program	43	19.4	38	17.1	-	-	61	27	76	34.2
Lack of motivation among managers	28	12.6	25	11.3			50	22	11	5.1
The company does not link the development program with its business strategy.	50	22.5	85	38.3	20	9	30	13	33	14.9
Insufficient time and budget to execute MD programs	18	8.1	20	9.	10	4.5	80	36	90	40.5
Difficulties to evaluate training and development outcomes	154	69.4	30	13.5	14	6.3	10	4.5	10	4.5

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Summary of Findings**

The primary objective of this research was to examine the practices and challenges of management development program in Ethio telecom. Management development is one of the key drivers for organizational success and superior performance. It is the main approach used by an organization to maintain and improve the capabilities and skills of its workforce. Trained people are responsible for implementing organizational strategies, conducting day-to-day business activities, running organizational assets represented by technology and satisfying the organizations' customers through providing high quality products and services. Therefore, organizations need to pay more attention to training and developing those people's skills to help them to undertake their current and future duties well. Also,

This chapter aims to discuss the findings and results that have emerged from the data analysis presented in Chapters 4. It links the previous chapters together; also links the theoretical literature with the empirical side of the research. It presents interpretation, triangulation and reflection of the quantitative and qualitative results presented in the previous two chapters; in addition, comparisons with other related studies are made.

#### **❖ Characteristics of the Respondent**

The majority of respondent who were in charge of management level in ethio telecom, as shown in Tables1, were aged between 31-40 years. Regarding participants' education level, it was found in, based on Tables 1, that the majority of the respondent/90%/ possessed bachelor's degrees; interestingly, only one participants had diploma, 9.5 % participants possessed MA degree, there is no participant who possess PhD degrees. Therefore, it could be argued that mangers in Ethio telecom are well-educated people. With regard to the gender of the participants, it was found that the majority of the Participants which is 88.1% were male; this indicates that the management level of Ethio telecom was dominated by male.

## ❖ **The Current Management Development Practices**

The first question and aim of this study was to explore the current management development practices in Ethio telecom in terms of how the management development program is conducted, the implementation issues, and how the evaluation process is conducted.

The review of management development literature in Chapter 3 shows that a systematic approach to management development should begin with need analysis. Development need is considered the critical stage by which development needs are identified. In this regard, Bee and Bee (1994) assert that assessing training needs plays a very important role in identifying individuals who need to be trained, designing the program that relates to the needs of both individuals and the organization, allocating the required time, determining the program objectives and the required skills and determining the required resources for implementing the program. The need analysis should be based on analysing organizational tasks or jobs and personal needs, not just one source of analysis. It should be based on the organization, jobs and individuals' real needs.

In order to understand the whole picture of the management development program in Ethio telecom, participant were asked different important questions regarding the regularity of conducting management development need analysis, methods or techniques used to analyse management development need, indicators to assess development needs and when managers received training and development . Also, top managers were asked about the development need assessment process in their organizations. The participants were asked whether they conducted formal development assessment in their organization and, if so, how often do their organizations conduct this assessment. Their answers, as they appeared in Tables 2, revealed that over half /54%/of the participants declared that their organizations conduct the need assessment sometimes but 7.3% of the participant said the company has never conducted need assessment. This indicate that Ethio telecom were not Conduct management development need assessment in regular base which means the company were not giving due attention the gap of skill existed among managers. But, when participants were asked how often they conducted management development need assessment, as shown in Tables 3 the majority answered that they conduct need assessment annually as per interview made with chief training officer, the need assessment

which were conducted is only for non-management staff but during this time the managers sometimes asked by their immediate officers whether they have a gap of skill related with their current position.

According to Nadler (1990), training needs should not only be assessed in the first step, since training and development process is affected by a variety of environmental factors that could affect the whole T&D outcomes and results. Thus, training needs should be assessed in different stages and should be flexible enough to take any urgent training and development needs into account. In addition, training needs should not be assessed once a year; they should be assessed at a variety of times depending on the organization's needs and conditions.

The most commonly used management development need assessment technique in Ethio telecom, as shown in Tables 4, was the group interview with managers and supervisor, followed by personal face to face interview direct managers or supervisors, then direct observation. But more than 90% of the respondent replied questionnaires; performance appraisal information and job description has never been used as a method/approach/for development need assessment.

Another important new explored fact in this study is that training needs were not assessed for the entire manager in the organizations, particularly those at top management levels. Training need assessment does not include all the management levels; it includes just low and middle management levels. The qualitative data from the questionnaire showed that training and development staffs do not have the authority to assess top managers' needs; instead, they (top managers) assess their training needs and they nominate themselves to attend any training and development program they like, especially if those programs are conducted outside of the country.

The most common management development need assessment indicators for Ethio telecom in general, as shown in Table 5 were the introduction of new work tools, lack of knowledge and lack of skills customer dissatisfaction and poor quality services 29%, 33% and 35% respond respectively, while low profitability, customer dissatisfaction and poor performance were considered the indicators that were taken into account to a small and a very small extent. Therefore, it could be argued, based on Table 5, the company poor performance, low profitability, customer's dissatisfaction were least used development need assessment indicators.



This implies that these organizations have not yet considered or recognized as important indicators for organizational performance.

In view of the importance of training and development for the success of the organization and the often considerable resources in its planning and implementation, one question that required exploration was the conditions under which training and development was provided for Ethio telecom managers. The answers to this question give an indication about training and development need assessment; when employees are given training and development and, when their training needs are assessed.

Table 6 showed that the conditions under which training and development were provided in Ethio telecom were 64% of the respondent declared that when managers/employees upgrade to fill new position, 63% of the respondent were said when managers needs training on new technology, equipment and new working condition, 28% and 33% of the respondent replied when managers request and when department needs respectively. However, 100% of the respondent replied has never been conduct training when managers are newly required because as per the document analysis of Ethio telecom, the company managers were upgraded from internally and the company policy were not allowed to recruit from external market. Therefore the companies were providing training regularly under the condition when managers upgraded to fill new position, when managers need training on new technology, equipment and new working condition.

### ❖ **Evaluation and the Follow up**

The evaluation stage is the most critical one in the management development cycle; it reflects the ways by which the effectiveness of management development program will be judged or assessed. It indicates the overall effectiveness of program in achieving its objectives; this information could help in improving future management development program. Therefore, it is unsurprising that many authors (MaCracken and Wallace, 2000) consider evaluation as an integral part of any systematic management development program. According to Kearns and Miller (1996), the evaluation stage aims to build credibility and a solid foundation for MD decisions, provides a basis for increasing return on investment (ROI), categorizes training by the type of return from investment in training, helps to link management development program with

strategic and operational business objectives and ensures all management level commitment and full support, particularly top management level.

In order to understand how this stage is considered and conducted in Ethio telecom, the respondents were asked about the techniques used to evaluate management development and the challenge facing during evaluation.

In this study, the participants were asked about the commonly used evaluation methods when evaluating management development program. It was found, as shown in Table 7, that the most commonly used evaluation methods by Ethio telecom was the questionnaire, asking the managers to fill a questionnaire at the end of each development program and interviewing the managers at the end of each development program. But 100% of the respondent said the company has never be used performance appraisal report and testing the participant before and after the program/pre and post/.

Evaluating the effectiveness of management development program is the hardest and most critical stage in the management development cycle. It requires specific tools, models, methods and financial resources. The respondents were asked about the main concerns, problems and challenges that face the management development program evaluation process in their company. It was found based on Table 9 that absence of job description/57.7%/ and time required to do evaluation well and difficulty in measuring the change of trainee behaviours' over a short period of time.

### **❖ The Strategic Position of Management Development**

Many authors have argued that, in order to be able to help the organization to gain a superior performance and achieve its corporate objectives, human resource should be strategic. Human resource activities, importantly training and development should be integrated and derived from the overall organizational strategies, plans and policies. The most important contributions in the field of strategic human resource development were introduced by Lee (1996), who presented the concept of training maturity, and Garavan, (1991), who highlights nine key characteristics of strategic human resource development. The main ideas of strategic human resource development are that management development should be integrated and linked with the organization's

strategic planning process and that human resource development should play a proactive role rather than consisting of reactive interventions in response to the specific organizational problems.

To explore the strategic position and roles of the training and development function in Ethio telecom, participants were asked whether the existing management development functions are characterized by the strategic human resource development criteria introduced by Garavan (1991,1995), which are: integration with overall organization's strategies, objectives and missions; training and development is the means for implementing corporate strategy and achieve its goal, the program is flexible and adaptable, activities are isolated, tactical, piecemeal, planned interventions conducted to react to current organizational challenge or circumstance top management support and commitment; environmental scanning when analysing training needs; line managers' commitment and involvement; human development strategies, policies and plans should be derived from and linked to recognition of organizational culture, finally have specific and sufficient budget.

From the total participant 94% of replied that the company management development program were in line with the overall company strategy.85% and 89 % declared that there were specific and sufficient budget for T and D program respectively and it is also flexible and adaptable. But 89% of the respondents were agreed that the company has informal and unwritten T and D plan and policy. Even though the company has no formal and written training and development program, it is strategic in terms of content.

### **❖ Problems and Challenges in Management Development**

Taking into account the main factors that could influence the effectiveness of management development activities and the main problems and challenges facing management development activities in company, the present study aims to explore the main factors, problems and challenges that face organizations in managing their management development activities. Therefore, the questionnaires and interviews raised many questions related to this aim.

Table 10 revealed that the main problems and challenges of the management development program lack of long term plan 69%, poor quality management training program 94.6%, in

accurate management development need assessment 98.2%, lack of private training centre 69.8% and difficulty to evaluate training and development outcomes 69.4% are some factors that were hinder to implementing management development program. .

## **5.2 Conclusions**

The following are the major conclusions remarked by the researcher:

- All the participants were managers and officers who were responsible for managing different section, department as well as division they were in the age group of 31 to 40 years. The majority of them possessed at least university degrees some of them hold masters. Predictably, most of the participants were males. In addition, this study found that the majority of the participants were managers with an average work experience of 11-15 years.
- The companies were not conduct management development need assessment regularly rather they conduct sometimes and the most commonly used management development need assessment techniques were group interview with manager and supervisor and personal face to face interview.
- The most common indicators for management development need assessment were the introduction of new work tools/methods/and lack of employees' knowledge and skills, while low profitability, customer dissatisfaction, and poor performance were the indicators taken into account to a small and a very small extent in the company. The company provides training and development program for their managers regularly when the mangers need training on new work methods, when mangers are upgraded to fill new position and sometimes when managers request it.
- The company believes in the importance of the evaluation process; thus they conduct this process for their in-house management development program regularly. Asking to fill questionnaires at the end of the development program and interviewing at the end of each development program were the regularly used technique for evaluating management development program , whereas testing the participant before and after the program and performance appraisal report were never been used as a tool for evaluation. Training

evaluation faces many difficulties: difficulty in measuring the change of trainees' behaviour over a short period of time; time required to do evaluation well.

- Even though the company didn't have formal and written training and development plan, it is strategic in terms of the content.
- The most important problems and challenges confronting management development activities and program in Ethio telecom were: lack of long term plan for developing managers, poor quality management training program, lack of private training centres, inaccurate MDNA, difficulty to evaluate training and development out comes.

### **5.3 Recommendations**

It is an undeniable fact that in recent times many organizations have come to the realization of the importance of the role of management development programs as it increases the organization's managers efficiency, skills and productivity. Due to this fact, organizations must be cleared about the learning requirement of managers. Therefore, all managers regardless of their level must collaborate effectively and communicate the requisite for performance. For instance if a training session is organized then it must be arranged and designed according to their need to enhance their capability to perform (Vemic, 2007).

Based on the findings of the study, the following suggestions are forwarded:

It was found that, to tackle the main problems and challenges of the MDP and improving the situation, many things need to be done or many decisions need to be taken.

- MD should be taken seriously as an investment, a necessary rather than a prestige activity and/or a cost to be minimized and T&D staffs need to be responsible and able to convince the organizations' top level managers about the importance of T&D activities for the organization's success.
- Management development needs to be a systematic function, linked and derived from the overall organizational strategies, plans and policies, rather than being piecemeal, stand-alone activities, designed to react to the current organizational conditions.

- In terms of MDNA, this process needs to be systematic; training needs should be assessed based on objective systematic techniques rather than being subjective to the managers direct viewpoints and personal aspects and it should be for all managerial level by emphasizing the need to be on performance appraisal records and job descriptions. When assessing training needs, the analyses should include individual, organizational and job training needs rather than individuals' needs only in order to use proper intervention mechanism for the gap identified be need assessment.
- Top managers and line managers need to be committed, and supportive for, MD activities through being involved in formulating the development strategies, plans and objectives.

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