

EMD: an international study of management development with special focus on Spain

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ABSTRACT

The objective of this paper is to examine the impact of management development on organizational performance in Spanish owned companies and how this and specific cultural variables affect convergence with other Western European countries. The European Management Development project (EMDP) has examined how organizations in different national locations report training and development of their managers (MD). Longitudinal information is available for Denmark, France, Germany, Spain and UK. Demographic data include status (domestic or headquarters of MNC), size and sector. Responses group into four constructs: “resource based view” (link to business strategy, competency framework, emphasis on longer term), MD systems (career planning, policy statement, review etc), importance (line managers’ view of priority given to MD) and amount of training in days per year. We found correlations between demographics and constructs, delivery systems and perceived determinants of managerial effectiveness. We found weak correlations between constructs and a subjective measure of organizational performance. Size, sector and status explain together about 19% of variance in OP. Using the GLOBE cultural dimensions we examined the country ranking for Spain as a culture effect. Other contextual variables seen to be relevant are internationalization, measured as the relationship between foreign trade or direct foreign investment and GDP, and the specific history and institutional framework in which organizations have operated over recent years.

Introduction

The purpose of this study is to investigate how companies in Spain train and develop their managers in comparison with other European countries in the context of long term convergence as Spain confirms its place as a major player in European business. To what extent do drivers such as exposure to the international markets and cross-cultural differences influence this process and to what extent do the acceptance and take up of management development programmes in Spanish organizations affect outcomes such as organizational performance.

A study carried out over the period 2001 to 2006 in 2 rounds of longitudinally comparable interviews showed results for four constructs in five countries: Denmark, France, Germany, Spain and UK: The study tested sector, status (domestic or HQ of MNC), size and country. The European Management Development project (EMD) examined how organizations in different national locations report training and development (MD) of their managers. The project completed two stages, the first from 2001/2 and the second 2004/5. Longitudinal information is available for Denmark, France, Germany, Spain and UK.

The EMD project is concerned with companies with national capital either operating at a purely domestic level or as headquarters of multi-nationals thus avoiding international influences and enabling us to identify country effects (Mabey 2008). The project aims to determine the effect of status. i.e. whether the company is domestic or the HQ of multinational and sector: manufacturing, distribution or services and the impact of differing approaches to MD on organizational performance. In this paper we explore the relationship between the acceptance and practice of MD and a measure of organizational performance at European level with special focus on the Spanish case.

Methodology

Participants and procedure

Using a telephone survey technique with the human resource director and one line manager in each organization, the project produced information on status (MNC with HQ in the country or purely domestic companies), size (number of employees), sector (very broad: manufacturing, distribution and services), delivery methods (rotation, external courses etc) and perception of profile of the effective manager (inherent ability, relevant qualifications etc). As often as possible respondents were called beforehand and warned of the issues to be raised; this was intended to raise the level of credibility of responses by allowing some time to think about the subject (Mabey 2008).

We aimed for a sample of roughly 100 companies per country though some were lost because of incomplete data or other incompatibilities, and with a balance between MNCs and domestic companies. The managers were asked about general HR strategy and the policies, practices and methods associated with MD. For the purposes of the interviews the definition of MD policy was stated as: “including all on-the-job and off-the-job activities, structured or unstructured, formal and informal, that are undertaken to develop your managerial expertise”. HR managers were asked about the corporate approach and policy of management development, as well as information about growth, turnover, number of managers employed and performance of the company. In addition line managers were asked to give their views on the HR policies and their experience of MD. The line manager in each company was a contact provided by the HR manager.

Although as with Delaney and Huselid (1996) the HRD manager is our primary source of data, ~~not least in regard to perceived organizational performance,~~ we have used line managers to assess ~~management development provision as well as their perception of the importance accorded to management development and to provide a~~ *counterbalanced different perspective* -to the view of the HRD manager, particularly with respect to organizational performance.

Measurements

For all independent and dependent variables we devised constructs by grouping similar items to gain more reliable results rather than relying on single items. The first of these, resource based view, is consecrated in the literature as a strategic use of an organization’s assets (Morris et al 2005); and refers to the link to business strategy, competency framework and emphasis on the longer term. The other constructs are MD systems (career planning, policy statement, review etc), importance (line managers’

view of priority given to MD) and amount (days per year invested in MD), which are self explanatory. These constructs describe the acceptance, implementation and methods used for MD in the companies. The study explores the relationship between these constructs and measures of performance in companies, based on Delaney and Huselid's model (1996), which considers quality of products, attracting and retaining key employees, client satisfaction, climate and internal relations as proxies for performance. We also have access to Amadeus financial data but only applicable to a limited number of companies in the survey where there is a longitudinal match.

The data for the five countries, Denmark, France, Germany, Spain and UK had to be made comparable between the 2 periods leading to the loss of a number of Spanish cases, which were finally 72 as opposed to 100 in the original data set.

Table 1: Constructs used in 2002 / 2005 longitudinal data

Constructs/Items	α 2002	α 2005	α All
Resource Based View (RBV) – HRD Q7b MD link to business strategy Q7c Training emphasis on developing potential Q9/10a MD link to competency framework Q9/10c Expected 5 year retention of managers	0.62	0.60	0.61
Systems – (SYS) from HRD questionnaire Q9/10e Use of career planning Q11 MD policy statement Q13/14 Discussion of development needs Q15 Review of MD activities	0.65	0.65	0.65
Importance (IMP)– from LM questionnaire Q6a MD link to business strategy Q6c MD link to competency framework Q6c Priority given to MD	0.75	0.78	0.76
Amount (AMO) from LM questionnaire Q7j Number of days for MD	-	-	-

The Cronbach alphas for the constructs are only moderately good at 0,6 and above (see table 1); note that Nunally (Nunally 1978) argues that a value of 0,70 is the lowest acceptable, so caution is advised in drawing conclusions based on these constructs, particularly RBV.

Results

Table 2 shows descriptive statistics for the different constructs, countries and for the two time periods.

Table 2. Scores by country, construct and time period

Country		DK		FR		D		UK		ES		Whole set	
Year		02	05	02	05	02	05	02	05	02	05	02	05
Total n		100	77	99	102	98	68	99	100	100	72	496	419
RBV	<i>Mean</i>	3,79	3,58	3,29	3,60	3,89	4,04	3,61	3,84	3,53	3,87	3,62	3,77
	<i>Stdv</i>	,72	,62	,71	,72	,66	,59	,68	,64	,48	,65	,68	,67
SYS	<i>Mean</i>	,99	,86	,90	,98	1,01	1,01	,83	1,05	,91	,99	,92	,98
	<i>Stdv</i>	,24	,27	,29	,33	,28	,26	,36	,24	,31	,29	,31	,29
IMP	<i>Mean</i>	3,16	3,06	2,95	3,28	3,46	3,39	3,21	3,38	3,32	3,52	3,22	3,33
	<i>Stdv</i>	,98	,97	,83	,87	,75	,79	,86	,96	,88	,84	,88	,90
AMO	<i>Mean</i>	8	10	7	4	8	5	10	8	13	22	9	9
	<i>Stdv</i>	10	14	5	4	5	5	11	8	11	30	9	15
OP	<i>Mean</i>	3,87	4,00	3,52	3,86	3,71	3,84	3,76	3,92	3,85	3,83	3,74	3,89
	<i>Stdv</i>	,50	,43	,49	,40	,46	,50	,46	,56	,39	,47	,48	,48

Table 3. Pearson correlation by constructs

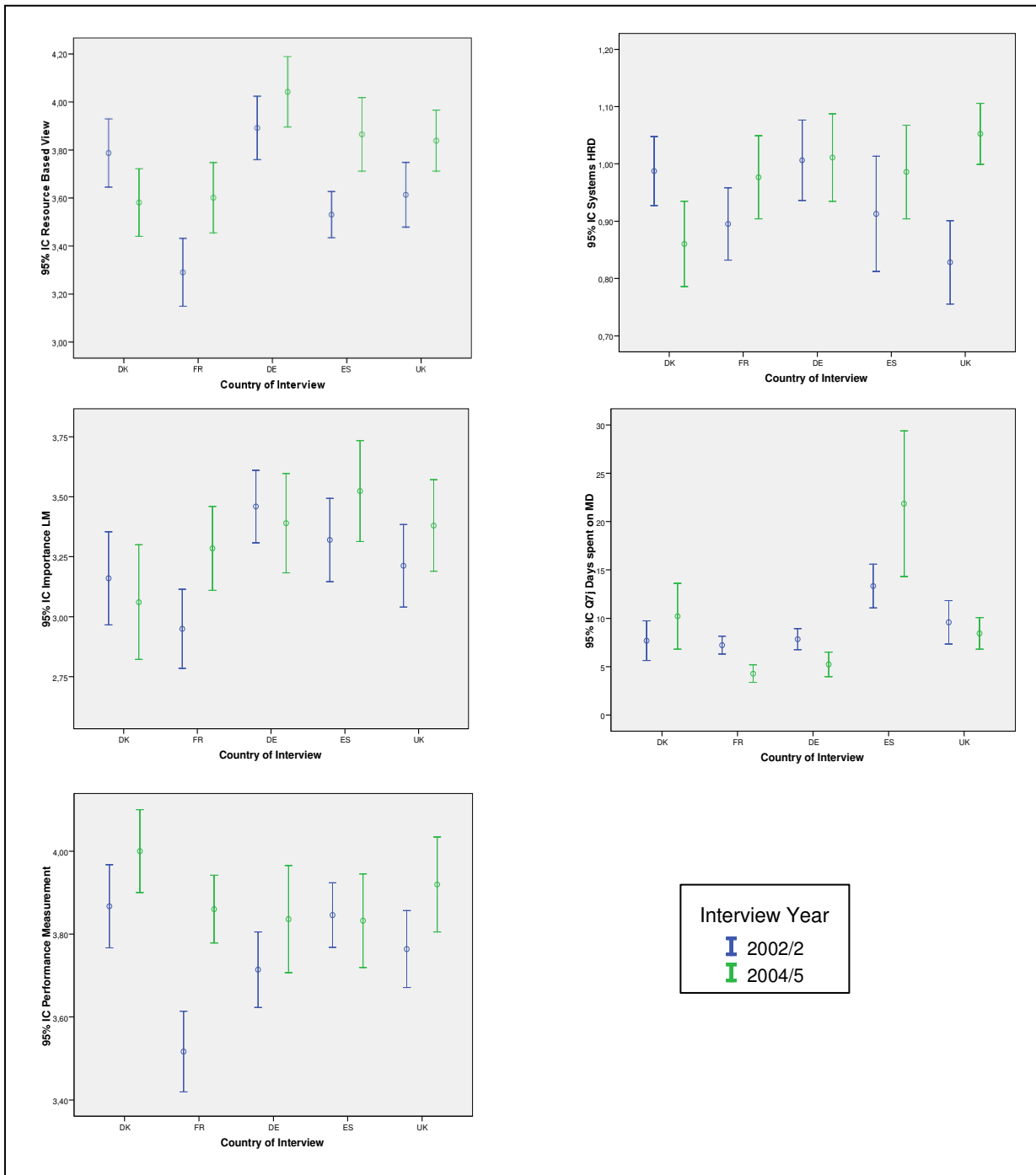
	RBV	SYS	IMP	AMO	PM
RBV		,447(**)	,250(**)	-,006	,332(**)
SYS	,447(**)		,262(**)	,029	,189(**)
IMP	,250(**)	,262(**)		,193(**)	,135(**)
AMO	-,006	,029	,193(**)		,016
PM	,332(**)	,189(**)	,135(**)	,016	

** p< 0,01 (two-tailed)

As we can see in Table 3, for the whole data set there is a relationship between the constructs RBV, SYS and IMP themselves (correlations RBV – SYS 0,45, RBV – IMP 0,25, SYS-IMP 0,26).

For the two time periods the internal correlation between the factors is slightly higher for the 2002 data: RBV-SYS 0,46, RBV-IMP 0,27, SYS-IMP 0,24) and for 2005 RBV-SYS 0,41, RBV-IMP 0,218 and SYS-IMP 0,27).

Figure 1. 95% Confidence Interval for construct means



To show between which countries there are differences we present the error bar chart (see Fig 1), which represents the 95% confidence interval for the means of the constructs and years. Notice that there is some overlap e.g. in the case of France so there's not a statistical difference of means. To make interpretation easier, Table 4 summarizes by country and construct if there is a rise or fall in the average. "Sig" and "n. sig" indicates whether the changes are statistically significant or not.

Table 4

	RBV	SYS	IMP	AMO	PM
DK	↓ N. Sig	↓ Sig	↓ N. Sig	↑ N. Sig	↑ N. Sig
FR	↑ Sig	↑ N. Sig	↑ Sig	↓ Sig	↑ Sig
D	↑ N. Sig	↔	↓ N. Sig	↓ Sig	↑ N. Sig
UK	↑ Sig	↑ Sig	↑ N. Sig	↓ N. Sig	↑ N. Sig
ES	↑ Sig	↑ N. Sig	↑ N. Sig	↑ Sig	↔

Inferential analysis by comparing means showed statistical differences between years in all constructs and this is also the case of OP (P value < 0.077) except AMO: P value = 0,72). Regarding the countries we found differences between all the constructs in 2002 (P value < 0,002). In 2005 all the constructs show significant differences between countries (P value <0.047) except OP (P value = 0,172). Results for Spain 2005 are:

Resource based view (RBV) middle of the range; Systems (SYS) at whole set average; Importance (IMP) highest; Amount (AMO): exceptionally high in number of days reported; reported improvement in organizational performance (OP) below average. In 2002 data: RBV rather low; SYS: close to the mean; IMP slightly above mean; AMO highest; OP high

Whole set values rose on all items between 2002 and 2005. In the comparison of Spain 2002 and 2005 for the values on the 4 constructs plus OP there are only significant differences in RBV with P-value of 0,001 from a mean of 3,53 to 3,87 for 72 cases.

Status distinction in companies is shown in table 5. Information is for 2005. There are significant differences between the two status types in Spain on RBV and AMO.

Table 5: Status and means of constructs 2005

		Country				
		DK	FR	DE	ES	UK
	Status	Mean	Mean	Mean	Mean	Mean
RBV	Domestic	3,57	3,43	3,96	3,78	3,84
	MNC	3,60	3,76 (**)	4,07	4,10 (*)	3,86
SYS	domestic	,87	,81	1,12	,95	1,05
	MNC	,85	1,10 (**)	,98	1,05	1,05
IMP	domestic	2,98	3,26	3,48	3,46	3,38
	MNC	3,16	3,30	3,36	3,71	3,33
AMO	domestic	10	5	7	26	8
	MNC	10	4	5 (*)	11 (*)	8
OP	domestic	4,03	3,79	3,74	3,80	3,92
	MNC	3,96	3,92 (*)	3,86	3,91	3,89

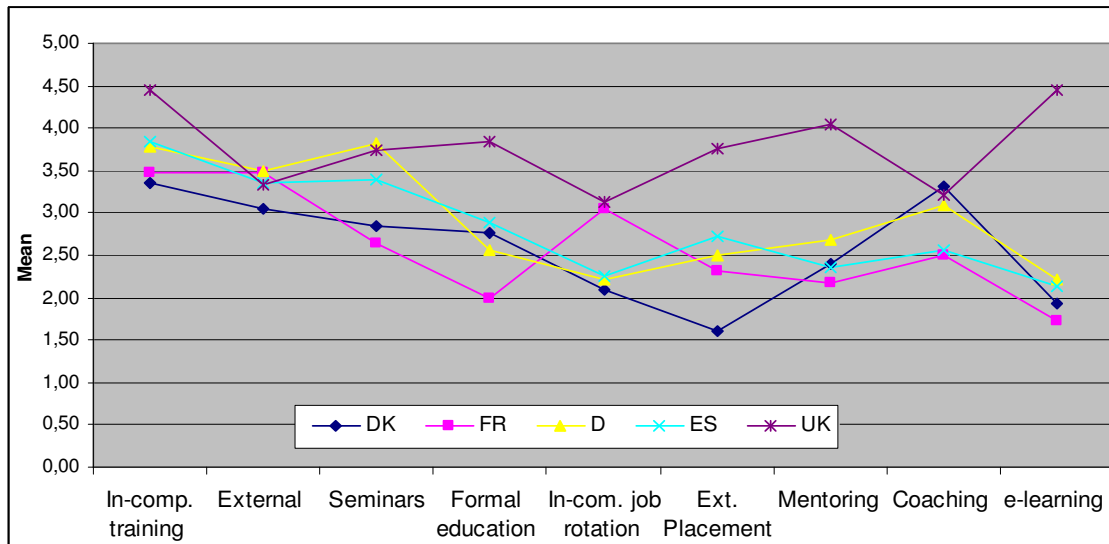
(**) $p < 0.05$ (*) $0.05 < p < 0.1$

Table 6 and figure 2 show the means and standard deviations for delivery methods used by companies of both status types in the different countries. ANOVA shows that differences between countries for the delivery methods are significant (P values < 0,088) with the exception of external courses 2005 (P value = 0,206) and for 2002 all are statistically significant ($p < 0,088$).

Table 6 Delivery methods (HRD) items

		DK		FR		D		UK		ES		Whole set	
		Year		02	05	02	05	02	05	02	05	02	05
		Total n		100	77	99	102	98	68	99	100	100	72
In-company training courses	Mean	3,42	3,35	3,85	3,47	4,23	3,79	3,43	4,46	3,74	3,85	3,73	3,78
	Stdv	1,46	1,30	,92	1,37	,89	1,24	1,16	,73	0,88	0,99	1,13	1,21
External courses	Mean	3,59	3,05	2,87	3,48	3,94	3,49	3,31	3,34	3,01	3,35	3,34	3,17
	Stdv	1,13	1,06	1,30	1,03	1,02	1,01	1,16	1,01	1,16	1,01	1,22	1,10
Seminars/ conferences	Mean		2,84		2,64		3,82		3,74		3,39		2,80
	Stdv		,96		1,10		,95		1,08		1,04		1,23
Formal education	Mean	3,15	2,76	2,60	2,00	2,44	2,56	3,27	3,84	2,55	2,89	2,80	2,65
	Stdv	1,19	1,21	1,25	,99	1,41	1,15	1,13	1,05	0,85	0,97	1,22	1,32
In-company job rotation	Mean	2,66	2,09	2,66	3,05	2,42	2,22	2,23	3,12	2,61	2,26	2,52	2,34
	Stdv	1,39	1,16	1,19	1,29	1,21	1,14	1,10	1,45	1,06	1,15	1,20	1,24
External placements/ secondments	Mean	1,43	1,61	2,03	2,31	1,95	2,49	1,57	3,76	2,38	2,72	1,87	2,64
	Stdv	,77	,99	1,10	1,29	1,14	,98	,87	1,19	0,94	1,18	1,03	1,31
Mentoring	Mean	2,36	2,39	3,01	2,17	3,13	2,68	2,78	4,05	2,65	2,35	2,78	3,10
	Stdv	1,29	1,24	1,34	1,16	1,26	1,16	1,18	1,00	1,06	1,21	1,26	1,29
Coaching	Mean		3,32		2,49		3,09		3,21		2,57		2,14
	Stdv		1,14		1,22		1,06		1,08		1,32		1,19
e-learning	Mean	1,70	1,94	1,54	1,72	2,18	2,22	1,83	4,46	2,09	2,14	1,87	3,78
	Stdv	,99	1,06	,92	1,19	1,29	1,12	,95	,73	1,08	1,08	1,08	1,21

Figure 2: delivery methods by countries, 2005



We can see from Table 6 that in 2005 the order of preference of the whole set of countries is highest ICTs and e-learning followed by external courses and mentoring; then seminars/conferences; then formal education and external placement, then rotation and lowest score coaching.

In contrast in 2002 the ranking was: ICT's highest followed by external courses then formal education and mentoring, then rotation and finally placements and e-learning. ICT's are most popular in both periods but e-learning has moved from the lowest to the most preferred slot, in line with the increasing global use of this type of training.

We see a generalized increase over time in e-learning as might be expected but also in external placements, whilst there is a general fall in the use of formal education and increase in more specific outside courses. Spain has a heavier reliance on specific focused courses. E-learning has become much more popular (not surprisingly) but coaching has come in as lowest choice and ICTs continues to be the number one choice of European companies, showing a preference to do MD in-house. Buying training through external courses and formal education is the second choice Europe-wide.

In 2005 for Spain we find:

In company: above European average

External courses: high

Seminars/conferences: fairly high

Formal education: high

Rotation: below average

External placements: above average

Mentoring: below average

Coaching: low

E-learning: low

Table 7. Breakdown by sector

Year		Country					Total
		DK	FR	DE	ES	UK	
2002	1 Manufacturing	22,0%	34,3%	36,1%	38,0%	44,4%	34,9%
	2 Distribution	25,0%	30,3%	3,1%	26,0%	25,3%	22,0%
	3 Services all	53,0%	35,4%	60,8%	36,0%	30,3%	43,0%
Total n		100	99	97	100	99	495
2005	1 Manufacturing	45,5%	33,7%	48,5%	36,1%	22,0%	35,9%
	2 Distribution	15,6%	29,7%	5,9%	13,9%	39,0%	22,7%
	3 Services all	39,0%	36,6%	45,6%	50,0%	39,0%	41,4%
Total n		77	101	68	72	100	418

The variable “sector” (table 7) shows that in 2002 the Spanish sample was higher on manufacturing and distribution than services in comparison with the European average for 5 countries. In the 2005 sample this changes radically since distribution has fallen to 13,9% and services have increased to 50%, highest in the sample, compared with just under 40% for the 5 countries. It is clearly not true that the proportion of business done in these sectors has changed to this extent though a marginal change would be expected so we may question the representativeness of the samples

Table 8 Size of the organizations responding to the survey

Number of employees	DK		FR		D		ES		UK		Whole set	
	02	05	02	05	02	05	02	05	02	05	02	05
N	100	77	99	102	98	68	100	72	99	100	496	419
Mean	901	634	501	1675	2437	3955	576	941	731	3207	1025	2095
Median	245	120	250	248	487	845	201	350	220	9045	250	7380
StDv	2755	3297	801	6321	3637	11393	1276	2505	1903	400	2407	320
Percent 25	80	40	98	98	243	267	73	172	90	125	98	114
Percent 75	458	340	494	500	2790	3600	438	775	495	1800	530	900

With reference to organizational size (table 8) the medians are smaller than the means in most cases indicating skew in favour of smaller companies. The exception is UK 2005 where the median is considerably higher than the mean indicating a predominance of bigger companies. The average size of organizations responding increased from 1025 to 2095 between 2002 and 2005. This is for companies excluding those with over 100.000 employees and for the whole set of five countries. There is a considerable increase in the size of the countries in the sample in the second set even after the biggest are taken out.

The mean size of Spanish organizations in our survey overall increased from 2772 to 3216 employees between the 2002 and 2005 rounds. Removing extreme cases of companies with over 100.000 employees we have 1025 and 2509 respectively for the two periods. This is still clearly lower than the European average. It has been suggested that this has a direct influence on the propensity to use management development (Hickson 1993). Unfortunately, however, the correlation between our constructs and size are not statistically significant.

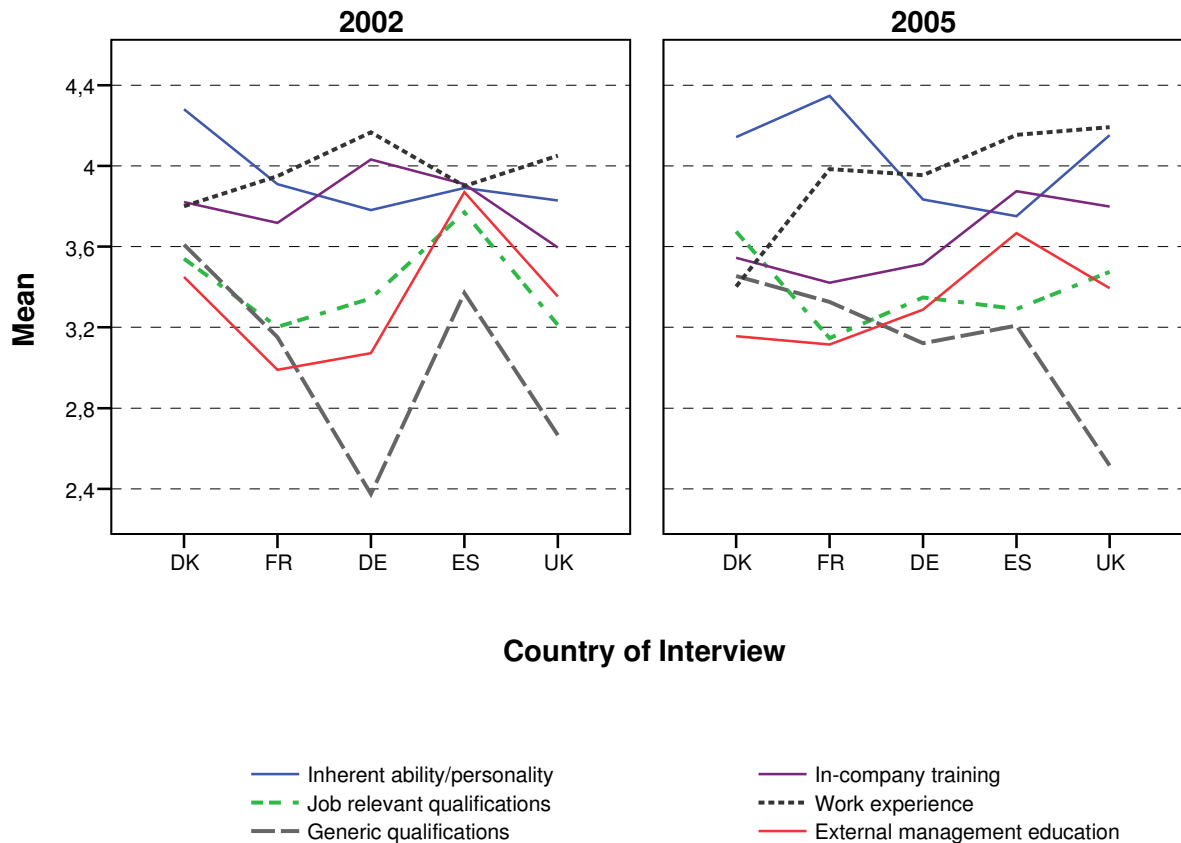
We asked managers to give their opinion on the most important characteristics of a successful executive (Table 10).

Table 10. Perceived competency determinants

		DK		FR		D		ES		UK		Whole set	
		02	05	02	05	02	05	02	05	02	05	02	05
Total n		100	77	99	102	98	68	100	72	99	100	496	419
Inherent ability/personality	Mean	4,28	4,14	3,91	4,33	3,78	3,82	3,89	3,75	3,83	4,15	3,94	4,07
	Stdv	,84	,72	,89	,69	1,06	,86	,67	,96	,80	,76	,87	,82
Job relevant qualifications	Mean	3,54	3,68	3,20	3,15	3,33	3,36	3,77	3,29	3,21	3,47	3,41	3,39
	Stdv	,89	,79	,89	,89	1,01	,79	,72	,80	,84	,80	,90	,83
Generic qualifications	Mean	3,61	3,45	3,15	3,33	2,37	3,15	3,37	3,21	2,67	2,52	3,04	3,10
	Stdv	,75	,72	,80	,72	,97	,68	,68	,77	,77	,90	,92	,84
In-company training	Mean	3,82	3,55	3,72	3,46	4,04	3,53	3,91	3,88	3,60	3,80	3,82	3,64
	Stdv	1,06	,95	,94	,83	,81	,76	,75	,67	,78	,86	,89	,84
Work experience	Mean	3,80	3,40	3,95	3,98	4,16	3,96	3,90	4,15	4,05	4,20	3,97	3,95
	Stdv	,94	,92	,83	,86	,73	,68	,69	,76	,68	,71	,79	,84
External management education	Mean	3,45	3,16	2,99	3,17	3,08	3,32	3,87	3,67	3,35	3,40	3,35	3,33
	Stdv	,95	,95	,99	,87	1,13	,85	,75	,82	,88	,98	,99	,92

All the between-country contrasts are significant for both years (2002 $p < 0,013$ and 2005 $p < 0,003$).

Figure 3 Perceived competency determinants by countries



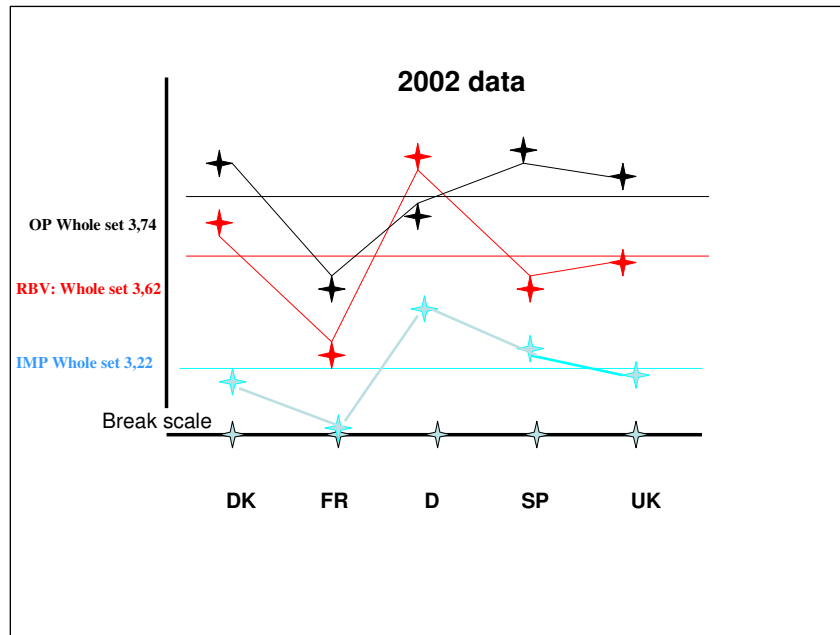
There is a wide spread between countries in each period and we show in bold in table 11 the significant differences comparing the two periods. Work experience is highly valued in all cases except in Denmark in 2005

In 2002 all countries favoured inherent ability, work experience and ICT's over external management education and general and job relevant qualifications indicating little faith in courses to support their managers' qualities and fit in the organization. These were most closely grouped in the Spanish case and widest in Germany. In the later period the same preference is seen though Denmark groups all except inherent ability rather closely. Managers have more faith in character and experience than any training other than internal and specific programmes.

Summary of longitudinal effects

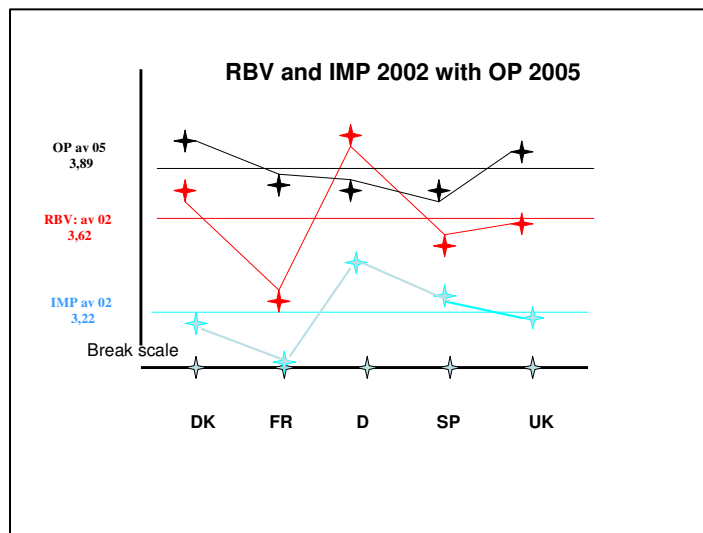
The relationship between RBV, IMP and OP varies across the five countries. We show these graphically. (Figure 4)

Figure 4: RBV, IMP and OP for 2002



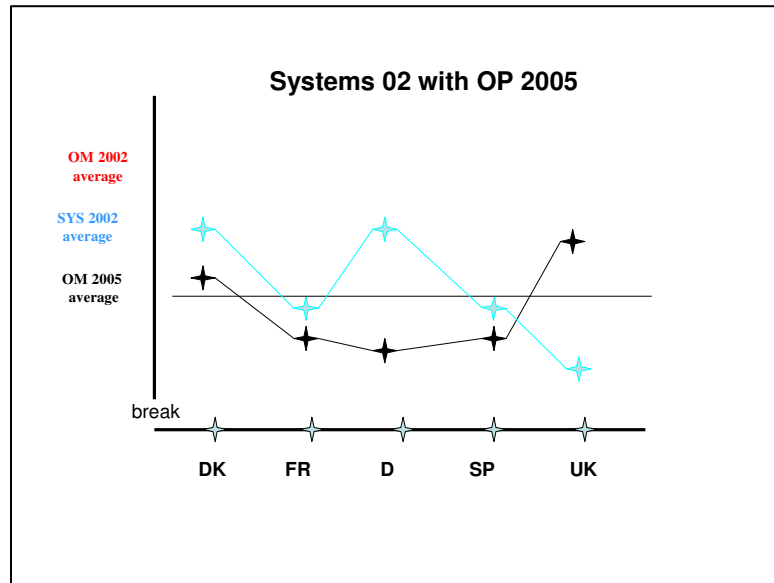
In the 2002 data we plot the OP with the constructs RBV and IMP as between-country comparison and see at best a weak relationship between these two constructs and our measure of performance. (Fig 5). Spain and France are consistently lower and in the UK there is no obvious fit.

Figure 5: RBV and IMP 2002 and OP 2005



The second fit we tried (Figure 6) was between 2002 values and the OP value for 2005 to see if there was a lagged effect. We found some fit between constructs and OP in the Denmark and France; in Germany OP is relatively low and RBV and IMP relatively high, and in UK the values diverge so the relationship across countries is not obvious.

Figure 6: Systems 2002 and OP 2005



Discussion and Interpretation of the Spanish case

The relationship between dependent variables such as those in the present study and organizational performance is notoriously difficult to measure. We should bear in mind that the initial Cronbach α for the items in the constructs, in particular RBV, were not high, and for future research should be improved to strengthen the robustness of the research.

The RBV scores reported by HR directors were consistently higher than IMP, reported by line managers, suggesting a more sanguine view on the part of the former. It is perhaps not totally surprising that the perception of the strategic role of MD is more optimistic in the case of HR managers, who are directly involved in supplying this function. The relationship between RBV as reported by HR managers and Importance as reported by line managers moves consistently, indicating a common perception of the centrality of the role of management development: they are talking about the same thing anyway.

Understanding any social phenomenon, and HR is par excellence such a phenomenon, must be seen in the social, historical and cultural context in which it occurs. This colours our interpretation of the implantation of MD in Spain, which was seen to lag other European countries in earlier studies (Mabey 2008) but shows evidence of catching up; there was an increase between 2002 and 2005 on the scores for all constructs. In spite of the evidence of convergence, national cases continue to show specific features, however (Klarsfeld & Mabey 2008).

It was suggested that Spain displays a relative lack of sophistication and/or greater reliance on informal ways of developing managers including patronage, networking and informal mentoring as against more formalised and procedural mechanisms in the earlier period (Mabey 2008). It was also suggested that there is a convergence or catch-up process going on during this period - though HR practices are thought of as slow to change (Millward, Bryson & Forth 2000).

Spain has moved from below to above average on RBV ahead of all countries except Germany (see table 2), suggesting that Spain is now more “European” than three years ago in terms of links to business strategy, emphasis on developing potential, competency framework and expected retention of managers.

On the Systems construct (having MD policy, appraisals, fast-tracking, career planning and systematic evaluation), Spain has moved from slightly below average to average, suggesting a more formal codified approach in career planning, policy statement and review of MD.

On “Importance” as judged by line managers and parallel to RBV as judged by HR directors, Spain was at the average in 2002, fairly similar to the HR managers’ views. By 2005 Spain had become the highest of all countries reflecting a sanguine view on the part of Spanish line managers.

On number of days reported Spain is consistently highest. Possible explanations are rhetorical reporting bias and the tendency to be generous in attributing time to activities. This fits the perception of training as concerned with networking and rewarding managers; it also reflects a generally less intensive use of time in organizational activities in Spanish culture. Very high MD activity in days per year in both periods suggests that although more training and development was taking place in Spanish organisations, these activities may have lacked “the strategic coherence and systemic support” found in Nordic countries (Mabey 2008). We would, however, hypothesize that there may be cultural factors such as loose and flexible use of time, the role of paid days of training as an incentive and networking mechanism and the response set in terms of reporting this item.

Organizational performance improvement over the last three years as benchmarked on competitors was reported high for Spain in 2002 whereas by 2005 Spain reported the lowest figure. The figure is an average of LM and HR managers’ responses to neutralize divergent perceptions. 2001/2 to 2004/5 were periods of strengthening world economy but with lower growth in the Euro area but growth of around 3% in Spain. Against this backdrop it is interesting that company reports of growth in Spain were low. It would seem that the qualitative measure of organizational performance used here does not follow the movement of GDP statistics.

As to Spanish delivery methods, somewhat counter-intuitively Spain reports a level similar to the European average for e-learning in spite of the relatively low general acceptance of digitalization in that country by European standards (Colet 2004, Bell 2007). The low position of coaching along with France seems to fit with a Latin – Nordic contrast in which more hierarchical cultures are reluctant to use this type of training. Mentoring in Spain is relatively low suggesting a reluctance to formalize transfers of tacit knowledge.

Disappointingly we found no evidence that size is significant in determining the implantation and acceptance of MD in our sample. This is counter-intuitive since it is almost axiomatic that small companies, especially family firms, have difficulty organizing and implementing management development programmes (Gray & Mabey 2005)

On PCDs Spain gave the highest rating to external management education in the two time periods reflecting increasing popularity of MBA education and inter-generational and catch-up effects in the Spanish business economy over recent decades. In 2002 work experience and inherent characteristics were equally valued, but by 2005 work experience scores higher than inherent characteristics reflecting an increasing confidence in managers' ability to learn, improve and take advantage of MD programmes.

Though, as we have found in our study, a lot of time is spent on training in Spanish companies the expenditure by companies on all training has tended to be relatively low at about 2% of payroll and in SME's is "either minimal or non-existent". (Cabrera & Carretero, 2005). Training was carried out in an "informal fashion and tends to be reactive, focusing on short term results". Career management has not been a formalized HR practice in Spanish companies (Cabrera & Carretero, 2005), only about 40% of companies surveyed had written policies, as confirmed by our figures showing 39% had such policies in 2002 and 42% in 2005. Nonetheless the "systems" construct of which this is a key element was around the mean for the 5 countries in our survey in 2005.

Mabey observed with reference to 2002 EMD data "Spain represents something of a conundrum ...lag(ging) significantly behind their counterparts in Europe, yet they report significantly more management training on average per year" He suggested this might be due to the relative immaturity of strategic MD policies in Spain or to the fact that managers in Spanish organizations depend more on relationships than formal procedures for developing managerial competence.

The impact of the constructs derived from the acceptance, adoption and implementation of MD programmes on measures of performance (see table 2) in the present study is of the order of 19%; it is therefore interesting to seek other country effects. Specific features such as internationalization, social, institutional and cultural variables could be influential.

Internationalization.

Myloni expresses the view that "MNCs are considered an important vessel for the transfer of management practices between countries" which is then communicated to domestic companies: (Myloni, 2007, P50). This would be expected to reinforce the difference between MNC and domestic status propensity to use MD. Our 2005 data show RBV values are higher in MNCs than domestic firms ($p < 0,1$), and days per year substantially lower in MNC's. SYS and IMP are also higher though not statistically significant. This suggests a more strategic role for HR and tighter control of time in MNC's. We do not have scores for non-domestic international companies but we can use measures of the internationalization of the economy.

Exposure to international conditions of Spanish companies has been historically slower (Hickson, 1993); international organizations have a higher up-take of MD and this has a wash-back effect on national organizations (Myloni, 2007).

Internationalization may be measured using different methods such as dividing trade activity (imports plus exports) into GDP or dividing the sum of stocks of inward and outward direct foreign investment (FDI) into GDP. The results for the five countries are

as follows. The first score is international trade / GDP (Table 12) and the second number is the sum of FDI / GDP (Table 13)

Table 12. Imports plus exports as a proportion of GDP

Spain	$\$248,3b (X) + 359,1b (M) / \$1415tr (GDP)$	= 0,43
Denk	$\$102,1b (X) + 101,3b (M) / \$0,311tr$	= 0,65
Ger	$\$1.361tr (X) + 1.121tr (M) / \$3.259 tr$	= 0,76
Fra	$\$558,9b (X) + 601,4b (M) / \$2.515tr$	= 0,46
UK	$\$415,6b (X) + 595,6b (M) / \$2.765tr$	= 0,37

X: Exports M:Imports

Table 13. Sum of FDI divided by GDP

Spain:	0,67
Denmark:	0,99
Germany:	0,52
France	0,68
UK:	0,95

(Source: CIA factbook 2007: in US \$)

These two measures produce different results but Spain is low on both, similar to France and UK on the trade over GDP measure and similar to France on the FDI / GDP measure but not as low as Germany.

The FDI figures are stocks not flows and thus historically weighted but can be regarded as an indicator of international investment penetration. In comparison with Denmark and UK, France and Spain are less open economies though Germany is lower still in comparison with the volume of the economy. There is not much evidence of a fit with our figures (table 2), which is probably because we used exclusively companies with Spanish capital and not aiming to capture developments in what is probably the major driver for change in the field.

Other special features of Spain

Family firms are associated with less formal HR systems making development planning more difficult. Traditionally such firms have fewer resources and less inclination to support MD programmes (Serlavos 2007; Obeso 2006, Torres 2006)

Sub-national variation is significant across the 17 Spanish autonomous provinces in terms of incomes, sectoral balance and cultural impact and every effort was made to use a sample from companies over the whole of Spain.

Specific sectoral strengths: construction, telecommunications, banking with strong international expansion especially in Latin America but also through European purchases (e.g. Telefónica and Ferrovial in UK) could have had an effect on HRM and

training practices but are not reflected since we only use a broad distinction between manufacturing, distribution and services.

Institutional framework: The Spanish government has not pushed hard to encourage companies to invest in MD (Cabrera & Carretero, 2005). Limited support from employers' association (CEOE in Spain) can also be predicted to discourage the implementation of MD.

Attitude: HR in Spanish companies has traditionally been seen as a low status function, reactive and with scarce resources, limited status and little strategic orientation (Gooderham et al, 1999). The Cranfield ESADE report on strategic HRM (Obeso, 2006) considers that the HR function is not widely accepted as having a strategic role in Spain.

It tends to be line managers who decide on the training need and HR departments who design and manage the programmes according to the 2006 Cranfield ESADE report on strategic HRM. As noted the views of line managers are noticeably less optimistic than those of HR managers, on HR / strategy links and competency frameworks.

Cultural value dimensions.

The national cultural dimensions approach is fraught with danger when attributing patterns of behaviour among other reasons because of the notion that nations and their citizens are "mentally programmed" and the tenuous causality between values measured in studies and actual behaviour. (Hofstede, 2001; McSweeney, 2007). The dangers of using national characteristics as a proxy for the culture have long dogged cultural studies (Smith & Bond, 1998, Holden 2002; McSweeney, 2007) charged with oversimplification, use of non-representative samples, imposing dimensions without specific reference to the culture evaluated (Berry 1980). There is little consensus on the most appropriate model to explain contrastive cultural features; as the authors of the GLOBE study note: "we do not believe that cultural researchers have yet reached the point in this field of research where we can say which taxonomy of cultural dimension is most parsimonious" (House et al, 2004). Rather it remains a question of fit and pragmatic usefulness.

Investment in MD, like other management behaviours, is influenced by cultural and contextual specificities (Hofstede 1993, Cabrera & Carretero 2005) tempered with sub-national and other levels of influence. (Holden 2002, McSweeney 2007). Culture impacts on variables such as what is considered to be a good manager, a well functioning organization and how career success is defined (Laurent 1986).

A number of geographical / cultural clusters have been suggested to describe European HR practices such as Derr (1987), later elaborated by Evans et al (2002) and cited in Mabey's paper based on this study (Mabey 2008). Drost suggests five distinct clusters of approach to MD: Germany, a hybrid group of France, Finland and Denmark; an English-speaking' group of Ireland, Netherlands and UK; a Latin group of Spain and Portugal and a group consisting of Norway and Sweden (Mabey 2008).

A further model suggests supranational clusters identifying a Latin model (though this is basically a French elitist political model), with little emphasis on the development of

an internal pool of managers; the Germanic or functional model characterized by the internalization of the competence-building process and an internal labour market perspective; the Anglo-Dutch or multinational corporation model with a weaker interest in formal qualifications and greater emphasis placed upon job experience and finally a Japanese competitive “elite cohort” model (Evans, Doz & Laurent 1989).

It is important to use a multiple emic/etic approach to achieve a multi-faceted understanding of culture, that is to say, to take account of specific local aspects of the culture as well as comparative findings on value dimensions. This goes some way to compensating for the fact that etic models are based on national data and are consequently unable to take non-national and sub-national phenomena into account. The positioning of Spain on the nine dimensions in the GLOBE study is shown below; the two columns contrast perceived reality and desirable state.

Dimension	“as is”	Band	rank	“should be”	Band	Rank
Performance Orientation	4,01	B	37	5,80	C	41
Future Orientation	3,51	C	45	5.63	B	27
Assertiveness	4,42	A	17	4,00	B	18
Institutional Collectivism	3,85	C	51	5,20	A	12
Gender Egalitarianism	3,01	B	51	4,82	A	20
Humane Orientation	3,32	D	60	5,69	B	5
Power distance	5,52	A	14	2,26	D	59
Family Collectivism	5,45	A	30	5.79	B	21
Uncertainty Avoidance	3,97	C	37	4,76	B	17

The authors of the GLOBE report point out that the scaling behind the ranking conceals the size of differences and for this reason they use test banding “to group scores into bands in which the scores ... are considered as being not meaningfully significant” (House et al, 2004, p220). There may be 3, 4 or 5 bands for any given dimension both in the practices (“as is”) and in the values (“should be”) scores.

From the above we see that Spain as a national culture appears as:

- high on power distance and family collectivism
- medium on uncertainty avoidance and assertiveness,
- medium-low on performance orientation,
- low on future orientation, institutional collectivism,
- very low on gender equality
- extremely low on humane orientation.

Uncertainty avoidance. This variable can be reflected in a preference for relationship business in which the trading partner is well known and trusted, implying a tendency towards high context communication and importance given to status and face. These characteristics are associated with a preference for personal contact, low attention to quantitative highly codified material and synchronous flexible social use of time, none of which are conducive to the setting up of formal development systems. Hofstede suggests MD may be seen as “an initiation ritual for future leaders” (Hofstede, 2001, p148) and as a ritual is associated with high UA. Hofstede placed Spain as a high UA culture, suggesting a symbolic rather than functionalist role for use of MD. Set piece low context explicit seminars on management communications skills are not favoured in

this cultural model. Tolerance of failure if it occurs within a solid business relationship is a consequence of personalism and relationship orientation. This trait might suggest that selection of people for training could also be particularistic to some extent paralleled by high family collectivism noted below.

A further consequence of this cultural feature is a high level of opaqueness and lack of transparency which fosters particularism. We predict that selection and decision making depends to a greater extent on who you are and that what you objective strengths may be which could be reflected in the selection process for MD. It is not clear from the questionnaire to what extent this is true.

High power distance is associated with lower empowerment and initiative taking which would be associated with more instruction at the cost of future development of managers. Since increased participation in organizational decision making can be seen as a potential threat to higher managers (Cabrero & Carretero, 2005) this might be inimical to development efforts. High power distance militates against manager development insofar as it implies developing more independent and self-confident attitudes. Steep hierarchical organizations may display reluctance to open up to cross-functional and cross-cultural team and project work and a tendency to silo organization reflected in the low figure for rotation.

The relatively low result on institutional collectivism suggests a low sense of group needs in building managerial resources on which the organization could draw; low future orientation also contributes to this. Weak institutional collectivism militates against a strong effort to channel efforts into the company's interests or developing a pool of future leadership resources.

It might also be expected to affect the reaction to and take up of certain kinds of training, a content question that the EMD did not ask about. Hofstede points out that "management training packages have been developed almost exclusively in individualistic countries and cites "how to conduct an appraisal interview" in an MBO context, which would not work well in more collectivistic contexts (Hofstede, 2001 p238).

Strong family collectivism might suggest a lower work-centredness and greater diffuseness and relationship orientation in selection processes. We would expect the approach to work to be significantly more diffuse with longer periods spent at work but more inter-personal feeling, an arguably more relaxed atmosphere in the workplace and flexibility about work/life separation. Problem solving approaches are holistic and emergent rather than sequential and analytical, a cause of much frustration to non-Mediterraneans in meetings, which seem unstructured, largely paper-free and not designed to generate action points. Altogether less directed, directive and purposive i.e. goal oriented, such meetings may of course be successful in communicating and reaching agreement on ideas though they are not explicitated in the typical northern European low context way. We predict relative aversion to codification, reflected in the lower incidence of MD systems in our study and a more informal approach to training.

Low gender egalitarianism can affect the selection process and opportunities from training and thrives in an opaque corporate culture, but data was not collected.

The GLOBE use of the term assertiveness may lend itself to some confusion since it is more associated with expressiveness, display and “macho” self images rather than confrontational business behaviour. This suggests status conscious behaviour influencing perceptions of different kinds of training. Coaching for example is likely to meet status barriers and defensive attitudes especially in older managers, for whom power distance is still a value, in a way that mentoring does not. The fact that coaching is not favoured in the two “Latin” countries but is much more popular in northern Europe could fit with greater status consciousness in Latin countries and less codification of tacit learning than in Nordic countries.

Spain appears in a middle ranking on mentoring whereas it is very low along with France on coaching.

The attractiveness noted in Spain for formal education, external courses and seminars can be convincingly related to status orientation: these activities offer diplomas to display whereas coaching, mentoring or rotations do not. They also offer networking possibilities.

Low future time orientation may explain the low priority given to planning and the often noted prevalence of improvisation in Spanish managers, which would be expected to be reflected in low importance given to MD. Note, however, that in our 2005 results Spain has a high ranking on the importance construct as identified by line managers suggesting a shift in attitude. Another aspect of this is informality and lower incidence of formal plans, as noted elsewhere. Low future orientation suggests lack of interest in formal career planning and explicit training and development programmes.

Short planning horizons and improvisation, which do not lend themselves to long term planning of human resources and much less to a preoccupation with development would militate against high profile training and development programmes. We suggest that this has had a negative effect on the development of MD in Spain.

Relatively low performance orientation weakens the urge to mobilize potential. Fatalism, a sense of external control and low belief in mastery over non-human phenomena lead us to predict a lower strategic role for MD and more focus on other purposes such as offering perks, networking opportunities or time away from work. It also suggests less orientation to market and hence quantification and measurement of managerial potential.

Low humane orientation suggests a low concern for the welfare of managers as people and is the most striking GLOBE finding with respect to Spain reported as in 60th position out of 61. This is perfectly compatible with high family and low institutional collectivism, the former representing low need for individualistic politeness systems and the latter a lack of loyalty to the organizational group.

Conclusions

Spain is no longer an outlier among European countries as was the case in earlier studies noted above (Mabey 2008), however, the use of MD reflects many country specific features. Size is not shown to be a conclusive variable but status is, though the internationalization of the national economy is not taken into account in this study.

GLOBE cultural variables enable us to predict some Spanish attitudes to MD though these are obviously not quantifiable and do not explain the country's comparative position in this study, other than features such as number of days per year invested in management development. Sector is not found to be significant.

The study confirms the difficulty of explaining organizational performance in terms of HR variables such as management development, nonetheless nearly 20% of variation can be explained by this variable.

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