

AN EXAMINATION OF EFFECTIVE PERFORMANCE DIMENSIONS FOR ENTRY-LEVEL MANAGERS

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ABSTRACT

The increasing importance placed on organizational performance in a highly competitive global business environment has been unmistakable in recent years. The performance of entry-level managers contributes significantly to the effectiveness of the overall organizational performance. Utilizing across sample of Portuguese organization, the objective of this research is to explore the nature and dimensions of the performance of entry-level managers. The results of this study reveal the influence of personality related aspects, learned aspects, as well as cognitive capacities on shaping the effective performance of entry-level managers. The practical implications of the results to business organizations and organizations of higher learning are examined.

INTRODUCTION

Despite the importance of technology as a competitive weapon in today's global marketplace, organizations must still find other competitive methods to enhance their costumer-orientations and competitive standings. In this context, organizational resources must be utilized effectively in order to facilitate gaining and maintaining the illusive competitive advantage (King and Zeithaml, 2001). Since most organizations have equal access to technology, first class organizations must rely on their valuable human resources to implement innovative organizational strategies in their pursuit of the competitive advantage. In this organizational environment, the different aspects of the performance of entry-level managers tend to play an important role in determining the effectiveness of the organization. As such, the traditional performance characteristics of these managers may not be sufficient, especially if they tend to focus merely on technical competences.

In some cases, entry-level managers are hired to fill middle-level-managers' positions, which have been reengineered due to internal and external needs and pressures (McDermott, 1995). Downsizing strategies, in some cases, resulted in replacing higher-level management positions with the entry-level positions. As consequence, the candidates to the first managerial job must be prepared to meet high expectations in a very short time.

A sample of one hundred and six (106) executives of Portuguese organizations, representing different industries, is used to study the characteristics of effective performance of entry-level managers. In the process, factor analysis and regression analysis procedures are used to identify and assess the significance of the different dimensions of the performance of entry-level managers in different operational settings. In this context, the results of this study have organizational performance, and educational implications.

METHOD

Instrument

The final version of the research instrument is composed of thirty-seven (37) characteristics related to competences, attitudes, and/or behaviors. For each of the characteristics included in the instrument, Portuguese executives were asked to classify the level of importance in relation to the performance of an entry-level manager on a Likert-type scale, ranging from 1 (not important), to 5 (very important).

Sample and Procedure

For the purpose of this study, the database maintained by Coface Serviços Portugal, a subsidiary of Coface was used. Coface provides services for its 85,000 clients, utilizing 4,850 staff members in 60 countries. It also provides services in another 93 countries via partners in the Credit Alliance worldwide network.

The research questionnaire was sent to the thousand largest organizations of the Portugal's Central Region, which includes six main administrative regions (Districts). To evaluate non-response bias, the authors requested the participants to send back the instrument, even if they choose not to participate in the study. The participants were also encouraged to send an email explaining the reason for not completing the instrument. Hundred-six (106) completed questionnaires, representing different industries, were received.

RESULTS AND CONCLUSION

Factor Analysis Results

Using the Kaiser-Meyer-Olkin test, sample adequacy for all variables was analyzed. A sample adequacy overall value of 0.88 was obtained. This value reached the value considered acceptable in the literature for this type of analysis (Hair et al., 1998). The principal component method, with a Varimax rotation was used to extract relevant factors. The results of the Bartlett test confirmed the appropriateness of the factor analysis procedure as used. Based on the factor analysis procedure, a nine-factor solution was extracted. This factor solution explained 65.51 per cent of the total variance. The nine factors extracted based on this solution are:

Factor One – Work-Related Characteristics.

Factor Two – Desire to Learn and Achieve.

Factor Three – Flexibility and Time Management.

Factor Four – Job and Organizational Interest.

Factor Five – Organizational Commitment and Innovative Communication.

Factor Six – Traditional Communication and Organizational Culture.

Factor Seven – Emotional Balance and Control.

Factor Eight – Rationality and Confidence.

Factor Nine – Entrepreneurship and Innovation.

The above nine extracted performance dimensions clearly underscored the multi-dimensional nature of today's entry-level managers' performance. Executives were asked to provide information regarding numbers of employees, type of certification achieved, and industry in which their organizations operate (see Table 1). The results indicate that the sample includes three main industries: Manufacturing (43.4%), Commerce (Retail, and wholesale trading) (26.4%), and Construction (11.3%). Based on the ANOVA procedure (Table 3) and Tukey test (Table 4), only a difference between the means for these

three industries was found on the Entrepreneurship and Innovation dimension for Manufacturing versus Commerce. Despite this finding, the executives of these industries tended to rank differently extracted factors. An examination of the ranking analysis results for these three industries tends to underscore the different patterns of characteristics representing desired performance dimensions.

Regression Results

In the first phase of the data analysis, the entry-level managers' characteristics which Portuguese executives tended to value were grouped in several factors. The relationships among these performance factors were then explored. For this purpose, the multiple regression analysis methodology was used. The observation unit for the regression models was based on each extracted factor. As such, the average of the measures included in each factor was calculated. The different number of items in the different factors warranted the averaging of responses to assure that factors were weighted equally.

The regression analysis investigation focused on the link between all performance dimensions (factors) and Work-related Characteristics (WC). For this purpose, a stepwise regression model, which used WC as the dependent variable and the remaining factors as independent variables, was utilized. Table 6 shows that only four performance factors were retained, thus resulting in the following model:

$$\text{Work-related Characteristics (WC)} = 0.249 + 0.211\text{LA} + 0.228\text{FT} + 0.200\text{CI} + 0.312\text{EB} \quad (1)$$

Where:

LA – Desire to Learn and Achieve.

FT – Flexibility and Time Management.

CI – Organizational Commitment and Innovative Communication.

EB – Emotional Balance and Control.

Based on the results of the factor and regression analyses used in this research, which utilized a sample of one hundred and six (106) Portuguese executives representing different industries, the following conclusions are in order. First, the effective performance of entry-level managers appears to be multi-dimensional in nature. As such, it is not merely technically-based. Thus, organizations hiring these managers, as well institutions of higher learning must broaden their perspectives on effective managerial performance. The educational and training implications of this conclusion are noted. Second, the desire to learn appears to be an important characteristic of entry-level managers in the context of the desired effective performance. Therefore, business organizations and institutions of higher learning must stress the philosophy of continuous learning. This is important, given the dynamic technological changes, which characterize today's organizational environment. The emphasis on continuous learning is consistent with the continuous improvement operational philosophies practiced widely in today's organizations.

Third, the entrepreneurship spirit and innovation appear to be very important characteristics of effective managerial performance. In this context, training programs and formal education which encourage thinking outside the boundaries of established rules and regulations, procedures, and expected norms are called for.

Fourth, flexibility, effective communication and time management appear to be critical components of the desired performance of entry-level managers. In this context, the rigidity of specific subject-based education and training should be replaced by broader, problem-solving, flexible and innovative approaches. Finally, it appears that people-skills and motivational skills are critical to effective performance of entry-level managers. Traditionally, such skills have been emphasized less relative to technical skills in training programs and educational preparation.

References, tables, figures and exhibits available upon request from Mahmoud M. Yasin