

Macquarie University

Macquarie Graduate School of Management

**Talent Development in China: Human Resource Managers’
Perception of the Value of the MBA**

By

Yibing (Ebin) Zhang

A Dissertation in Partial Fulfilment of the Requirements for the Degree
Master of Research in Management

October 2016

Abstract

As the topic of Talent Development (TD) gets more research attention in Western business, the need for understanding the nature and the scope of TD activities in an Eastern business context increases. This study investigated the perceptions of HR managers in Chinese firms of the value of different TD practices with Chinese firms, with specific attention to the perceived value of the MBA as a TD practice.

Adopting a semi-structured interview method, this qualitative research involved sixteen interviews with HR managers from MNCs (Multi-national companies), Locals (Local private companies) and JV (Joint ventures) in Beijing, Chengdu and Shanghai. A five-dimension model of human capital: scholastic capital, social capital, culture capital, inner-value capital and market-value capital, developed by Useen & Karable (1986) and Baruch (2009) was adopted as the theoretical model to guide the evaluation of HR managers' perceptions of the MBA.

The first finding of this study revealed that although, all 16 participants' organisations adopted an "exclusive-developable" perspective towards talent and TD, there was a lack of clarity about how to define "talent". Each of the HR managers preferred their own ways to identify the potential of talent. HR managers from Local firms mostly focused on measurements carrying strong features of organizational culture, while, the MNC respondents stressed the importance of psychological assessment with quantitative measurements.

The second finding indicated a number of TD practices implemented in these organisations, among which "on-the-job training" appeared to be the most widely adopted and the most effective method. Although MBA sponsoring program has become less popular than it used to be, findings showed an overall improvement in all five human capital dimensions gained from MBA. Of the five values, scholastic capital and social capital were perceived as the highest values received. Meanwhile, findings also suggested a decline in culture capital and market-value capital value of MBA in the past 5-10 years. In general, compared with MNC counterparts, Local HR managers perceived higher value from MBA programs.

Another noteworthy finding was that both national culture and institutional culture influenced TD implementation as well as the perceived value gained from the

MBA. In particular, Confucian values, such as “respect education and scholars” and “importance of *Guanxi*” played an important role on talent strategies and TD practices in China. However, Western management values has also a significant impact on the business management philosophies of the Chinese organisations, especially within the MNCs.

Considering the lack of empirical studies in a Chinese context and lack of focusing on HR professionals’ perspectives in this field, this study can contribute to ongoing research and practice of TD. The implications may help to position and redesign future TD programs in Chinese and Eastern context. It may also provide insights for MBA providers to reorganize the curriculum to address changing perceptions of the value of the MBA.

Dedication

This dissertation is dedicated to the memories of my late father – 章鹏义 (Zhang Pengyi), who unfortunately didn't stay in this world long enough to see this thesis completed.

Acknowledgment

So many people have supported not only this study, but also my personal development during my MRes studies at Macquarie University. Thank you to all those who have been there to lead, guide, advise, understand and help me.

First of all, I would like to thank my supervisor, Dr. Paul L. Nesbit. His guidance, advice and support has mean much to me.

I would also like to thank Prof. Alison Pullen who always provide me kind encouragement and support.

Ultimately, this dissertation would not have been possible without the participants that were willing to give of their time and opinion. Thank you all for the generous support to my study.

Table of contents

ABSTRACT	I
DEDICATION	III
ACKNOWLEDGMENT	IV
TABLE OF CONTENTS	V
LIST OF TABLES	VII
LIST OF FIGURES	VIII
CHAPTER 1. INTRODUCTION	1
1.1. BACKGROUND	1
1.2. THE PURPOSE OF THIS RESEARCH	4
1.3. CONCEPTUAL FRAMEWORK	5
1.4. SIGNIFICANCE OF THIS STUDY	5
1.5. LIMITATIONS OF THE STUDY	6
1.6. THE RESEARCHER'S PERSPECTIVE	6
CHAPTER 2. LITERATURE REVIEW	8
2.1. DEFINITION OF TALENT AND TALENT DEVELOPMENT	8
2.2. TALENT DEVELOPMENT PRACTICES	13
2.3. MBA AS A TD PRACTICE AND ITS PRACTICE IN CHINA	16
2.4. HUMAN CAPITAL MODEL IN EVALUATING MBA IMPACTS	19
2.5. CULTURAL FACTORS THAT MAY IMPACT TD IN CHINA	20
LITERATURE SUMMARY	23
CHAPTER 3. METHODOLOGY	24
3.1. QUALITATIVE RESEARCH DESIGN	24
3.2. SAMPLE	25
3.3. SAMPLING PROCEDURE	28
3.4. DATA COLLECTION	29
3.5. APPROACH TO DATA ANALYSIS	31
3.7. ETHICS APPROVAL	32
3.8. VALIDITY AND RELIABILITY	32
CHAPTER 4. RESEARCH FINDINGS	34
4.1. RESEARCH QUESTION 1	34
4.1.1. <i>Talent Definition and Criteria</i>	34

4.1.2. Talent Population and TD Approach	37
Summary of Findings for Research Question 1	37
4.2. RESEARCH QUESTION 2	38
4.2.1. General picture of TD Practice.....	38
4.2.2. The effectiveness of TD practices.....	41
4.2.3. MBA practice	42
4.2.4. MBA's Future Value Outlook.....	44
Summary of Findings for Research Question 2	45
4.3. RESEARCH QUESTION 3 & 4	46
4.3.1. Scholastic Capital Value of MBA	48
4.3.2. Social Capital Value of MBA.....	49
4.3.3. Cultural Capital Value of MBA.....	51
4.3.4. Inner-value Capital of MBA.....	52
4.3.5. Market-value Capital of MBA.....	54
Summary of Findings for Research Question 3 & 4.....	55
4.4. RESEARCH QUESTION 5	56
4.4.1 National Culture Influence.....	56
4.4.2. Institutional Culture Influence	60
Summary of Findings for Research Question 5.....	61
4.5. CONCLUSION OF FINDINGS	62
CHAPTER 5. DISCUSSION AND IMPLICATIONS.....	65
5.1. TALENT DEVELOPMENT	66
5.2. MOST EFFECTIVE TALENT DEVELOPMENT PRACTICE.....	67
5.3. PERCEIVED VALUE OF MBA	69
5.4. CULTURAL INFLUENCE.....	70
IMPLICATIONS.....	72
Theoretical implications.....	72
Implications for HR Practitioners	73
Implications for Business Schools.....	73
Implications for Future Research.....	74
REFERENCES:.....	76
APPENDIX A:	81
APPENDIX B:.....	83

List of Tables

Table 1: Examples of Talent Definition in the Literature.....	9
Table 2. Examples of Talent Development Definitions by Talent Philosophy	12
Table 3. The sample	29
Table 4. Talent development practices and examples	39
Table 5. Response categorization and coding example.....	47
Table 6. Perceived Scholastic Capital value of MBA.....	48
Table 7. Perceived Social Capital value of MBA	49
Table 8. Perceived Cultural Capital value of MBA	51
Table 9. Perceived Inner-value Capital of MBA.....	52
Table 10. Perceived Market-value Capital of MBA	54

List of Figures

Figure 1. Talent and Talent Philosophies	11
Figure 2. Five-dimension Human Capital Model.....	20

Chapter 1. Introduction

1.1. Background

In recent years, China has become a global powerhouse with economic and political influences in the world economy (Liu & Pearson, 2014; Wang-Cowham, 2011). As a result of its rapid economic growth during the last three decades, China is now facing a looming shortage of home-grown Talent¹ (Bambacas & Kulik, 2013; Cai, Klyushina, & Timlon, 2009; Zhou, Liu, & Hong, 2012). For most Chinese organisations, the demand for executives and experienced managers far outstrips supply. This lacuna is estimated to be in the region of 75,000 executive (Warner, 2011), with serious implications for the multi-national companies (MNCs) now in China and for the growing number of local private companies (Locals) with global ambitions. According to the McKinsey Global Institute (2011), there are only between 3000 to 5000 candidates available for executive positions. The ability of China to maintain a rapidly growing economy in the long run will likely depend largely on filling its need for Talent (Joshua, 2015; Zuo, 2002).

The importance of human capital as a source of economic growth has been widely acknowledged in the literature (Becker, 1993; Joshua, 2015; Phillips, 2005; Sabadie & Johansen, 2010; Schultz, 1961). Virtually all researchers and practitioners agree that highly competent employees are a critical resource of the organisation to achieve competitive advantage. Thus, Talent development (TD) is of great and fundamental importance to the long-term viability and growth of Chinese

¹ The word of talent has ambiguous definitions (i.e. a group of people or abilities and skills etc.), in this paper, “Talent” (with capital letter) in refer to a group of employees with high performance and/or high potential in an organisation.

organisations. In simple terms, economic growth has outpaced growth in the quality of Talent.

The increasing attention for TD is also highlighted by the concept of “War for Talent” addressed by McKinsey in the 1990’s (Chambers, Foulon, Handfield-Jones, Hankin, & Michaels, 1998), which refers to the shortage of Talent in general and the demands for this Talent among Western business as well as among rapid growing businesses in emerging markets under globalization (Latukha, 2015; Megers & Woerkm, 2014). McKinsey claimed that Talent would increasingly be difficult to recruit and companies should make Talent management a burning priority. Since then, the attraction, retention, and development of Talent has been seen as the three dominant strategies to manage Talent (Thunnissen, Boselie, & Fruytier, 2013) and has been a buzzword used for almost two decades.

However, TD has received relatively little attention among management scholars, especially in the context of China. The current literature on TD is still relatively scant and fragmented (Garavan, Carbery, & Rock, 2012; Mehdiabadi & Li, 2016). There are three major gaps in the research and practice on TD. First is the lack of a precise definition of TD (Collings & Mellahi, 2009; Collings, Scullion, & Vaiman, 2015; Mehdiabadi & Li, 2016), second is the lack of theoretical support (Lewis & Heckman, 2006; Mehdiabadi & Li, 2016; Thunnissen et al., 2013), and third is the lack of measurement frameworks (Dries, 2013; Mehdiabadi & Li, 2016) for operationalization and identification of Talent. Moreover, research to comprehensively understand the formidable challenges to implement TD in organisations has mostly been undertaken in Western context, while relatively few studies have been conducted in the Eastern context (Liu & Pearson, 2014). A search of the academic literature on TD practices in China yielded very limited findings.

This position is consistent with the view of Scullion and Ryan (2013) who argue that too many studies on TD have been done inside the Anglo-Saxon management traditions (Valverde, Scullion, & Ryan, 2013). Contributing to better understand the theoretical and empirical development of the concept of TD in Chinese organisations in the “War for Talent” fuels the focus of this paper.

Developing and managing Talent is both challenging and critical for organisations in China. Human resource (HR) practitioners, therefore, have to develop the right Talent, in the right people, at the right time, in the right way, to ensure their Talent pipeline is appropriate to future demands (Wang-Cowham, 2011). A number of TD practices have been adopted by Chinese organisations in recent years, including leadership development programs, on-the-job training and formal educational programs (Cai et al., 2009; Warner, 2011). Included among these TD practices is sponsoring and supporting employees to complete the Masters of Business Administration degree (MBA). The MBA has become one of the most popular and prestigious managerial qualification in China (Crotty & Soule, 1997; Tay, 2001). Statistics indicate that 45,000 candidates enrolled in MBA programs at business schools in 2013 in China, which was 479 times more than 1990 (Guangming Daily 16/4/2015). MBA is considered the “flagship” of business studies education and it has been argued that it has had a great impact on the building of the Chinese market economy and local management skills (Baruch, 2009; Chen & Yang, 2010; Zhao, 1997). With the widely acknowledged importance of human capital as a source of economic value, both employers and individuals in Chinese firms seek to make an investment through MBA that could generate the best return on human capital. However, little is known about how and the extent that the MBA provides value to employees and organisations.

The effectiveness of MBA programs in improving the management of Chinese businesses has become a primary concern to many education and management researchers and practitioners (Yan & Mak, 2010). The majority of previous studies in the literature focus much on the value of MBA program to the graduates rather than the firms that employ the graduates. To date, there is no research has been conducted discussing how the MBA contribute to TD in China from HR managers' perspective.

1.2. The Purpose of this Research

The purpose of this study was to investigate the perceptions of HR managers of the value of different TD practices with Chinese firms, with specific attention to the perceived value of the MBA as a TD practice. Additionally, the research explored whether HR managers' perceptions are influenced by the Chinese national culture and institutional culture characteristics. The following specific research questions about Chinese HR managers' perceptions were addressed in this study:

1. *How is 'Talent' defined and identified?*
2. *What is the perceived as the most effective TD practice to develop Talent?*
3. *What is the perceived overall value gained from doing an MBA (as a TD practice)?*
4. *What is the specific value gained from doing an MBA as measured by five distinct types of value represented by the Human Capital Model (Baruch, 2009) and which of these five values is most developed by completing an MBA program?*
5. *Are the perceptions of HR managers about TD and the value of the MBA program influenced by Chinese culture characteristics and/or institutional culture characteristics?*

1.3. Conceptual Framework

To make sense of understanding HR managers' perception on MBA, a five-dimension human capital model developed by Useen & Karable (1986) and Baruch (2009) has been adopted as the theoretical model to guide the evaluation of their perceptions. This model explores the value from TD practices using five categories of value to human capital. These five categories are: scholastic capital, social capital, culture capital, inner-value capital and market-value capital. Details of this model is discussed in the section 2.4.

1.4. Significance of This Study

Garavan, Carbery et al. (2012) claim that TD is a significantly under-developed and under-research concept. While practitioners and consultants claimed that TD was of growing importance to organisations in China, academic research on this topic has been developing at a much slower rate (Iles, Chuai, & Preece, 2010; Liu & Pearson, 2014). This study is among one the earliest attempts to investigate how TD practices are perceived by HR managers and in particular how their perception of the value of the MBA as a TD practice in China. The findings provided an overview of TD practices in various firms in China. This research therefore makes contributions to the literature of TD practices in China by broadening understanding of HR perceptions of various TD practices and the role of the MBA among these practices. This study also has practical implications in the information about the value of the TD practices and the MBA that may have implications to position and redesign future TD program in China, as well as provide insights for MBA providers to reorganize the curriculum for local Chinese candidates.

1.5. Limitations of the Study

There are a number of limitations of this study. First, as with all qualitative research which seeks to explore in-depth viewpoints of a group of managers, there is a relatively small sample group of participants (N =16) which therefore reduces the capacity of the study to draw conclusive generalizations. Second, while each of the HR managers seemed to have a good rapport with the researcher, much of the conversation was limited to the time of the interview and their memories of what had occurred. Third, the study was focused on a limited number of firm types (Multi-National corporations and local private firms), thus, the manner in which HR managers perceive TD and MBA in other types of enterprises (i.e. government organizations) was not addressed by this study. Finally, the researcher only collected data from HR managers, so all other stakeholders' experience or perception with TD and MBA, which may be different to these HR managers, was not captured.

1.6. The Researcher's Perspective

As the researcher is an integral part of a qualitative study, the researcher attempts to give the reader some of his background.

Upon graduating with M.A. in International Studies and M.Ed. in Management and Human Resource Development from two Australian universities in the early 2000s, the researcher worked at a number of Multi-National Corporations (MNCs) in Greater China. Over the past 10 years, he has worked as human resource manager and organisational development director for three sizable MNCs in the emerging market where the human resource (HR) issues were considered challenging and critical. The researcher has always had a strong interest in TD and the topic has been a high priority throughout his career. He is motivated to better understand the

nature of TD practice in China in order to improve the ideological and theoretical perspectives of TD within organisations in China and Asia.

Chapter 2. Literature Review

This chapter presents the major findings reported in the Talent Development (TD) literatures. It is divided into four sections. Section One (2.1) includes a discussion on the definition of Talent and TD. Section Two (2.2) is a brief summary of TD practices. Section Three (2.3) discusses the MBA program as a TD practice and its practice in China. Section Four (2.4) reviews a framework of human resource capital model in evaluating TD practice and MBA programs. Section Five (2.5) examines the cultural, national and institutional, factors that impact TD in China. The purpose of the review was to provide a theoretical foundation to guide and support the approach taken in this research.

2.1. Definition of Talent and Talent Development

The concept of managing and developing Talent is not new but the attention of TD has been greatly increased in the recent years. This attention to Talent and TD is driven by several trends and factors, including demographic changes caused by ageing of the working population, and increasing mobility and globalization (Thunnissen et al., 2013). However, the current literature on TD is still relatively scant and fragmented (Garavan et al., 2012; Mehdiabadi & Li, 2016). There is little published research that defines the scope and sets the boundaries of the concept of TD (Garavan et al., 2012; Lewis & Heckman, 2006; Mehdiabadi & Li, 2016).

It is difficult to identify the precise meaning of “Talent development” because of the confusion regarding definitions of “Talent”. As Dries (2013) argues, that although the literature on the “War for Talent” is quite specific as to why TD matters, it is much less specific on what Talent is exactly. However, to understand the practitioners’ perceptions of MBA as a TD practice, it is vital to first understand their

Talent definition, Talent philosophy and TD scope.

A review of literature indicates that there is no single or universal contemporary definition of “Talent”. Table 1 shows some examples of the varied definition of Talent in the academic human resource management literature. As some researchers argue, in many articles and books about Talent and TD, “Talent” is taken for granted and can mean whatever a business leader or writer wants it to, since everyone has his or her own idea of what the construct does and does not encompass (Gallardo-Gallardo, Dries, & González-Cruz, 2013). Tansley (2011) further asserts, that the definition of Talent in organisations is highly influenced by the type of industry or occupational field.

Table 1: Examples of Talent Definition in the Literature

Year, Author(s)	Definition of Talent
2000 Williams	“regularly demonstrate exceptional ability and achievement either over a range of activities and situations, or within a specialized and narrow field of expertise; consistently indicate high competence in areas of activity that strongly suggest transferable, comparable ability in situations where they have yet to be tested and proved to be highly effective”
2001 Michaels et al.	“A code for the most effective leaders and managers at all levels, who can help a company fulfil tis aspirations and drive its performance.”
2010 Gladwell	“Talent is equal to ten years or 10,000 hours invested in a specific field”
2010 Ready et al.	“they consistently deliver strong results credibly; they master new types of expertise quickly; and they recognize that behavior counts”, “hardwired with the drive to achieve excellence, a relentless focus on learning, an enterprising spirit, and a capacity to make careful assessments of risk”
2010 Stewart & Harte	“Talent consists of those individuals who can make a difference to organisational performance, either through their immediate contribution or in the longer tie by demonstrating the highest levels of potential”
2012 Glastra & Meerman	“Talent is not a trait existing within an individual, but the outcome of a specific system and history of interaction between employees and selective agents within the work organisation”
2012 Ulrich and Smallwood	“Talent=competence (knowledge, skills and values required for todays’ and tomorrows’ job; right skills, right place, right job, right time) x commitment (willing to do the job) x contribution (finding meaning and purpose in their job)”

Many scholars believe the research field of Talent and TD is marked by tensions regarding the nature of talent (Dries, 2013; Hana & Lucie, 2015; Latukha, 2015). To offer an in-depth review of the Talent concept within the specific context of

the world of work, Gallardo-Gallardo et al. (2013) identified two dimensions in defining Talent in a business context. The first dimension is whether talent is considered as a subject or an object. In other words, whether talent is defined as people or talent as characteristics of people. The second dimension is whether Talent is considered exclusive or inclusive (Garavan et al., 2012). The exclusive approach focuses attention on selected people, the future stars, future leaders and high-fliers of the organisation, who are considered to have high potentials. The inclusive approach suggests that all employees should be considered as potential Talent.

Meger and Woerkom (2014) developed two similar dimensions in their model defining Talent and Talent philosophies (see Figure 1): exclusive vs. inclusive and stable (talent is a stable trait) vs. developable (talent is potential that can be developed). The combination of these two dimensions on the perception of talent lead to four distinct talent philosophies. The first philosophical category is exclusive and stable (upper left quadrant of Figure 1). In this quadrant, Talent is conceptualized as a small group of people, who have innate, natural capabilities. Consequently, given this philosophical position, organisations should identify, attract and retain these talented individuals to keep sustain competitive advantage. The second philosophical category is exclusive and developable (upper right quadrant of Figure 1). In this quadrant, talent is considered to be rare and at least partly innate, however, talent is often latent and can only be unveiled through development activities. Therefore, under this philosophy, organisations would target their TD to individuals with potential. The third philosophical category is inclusive and stable (bottom left quadrant of Figure 1). This position assumes talent potentially resides in every individual; i.e., everybody has talent in some way. HR practitioners are advised to identify individual's talents and use these talents by matching them with job positions (Dries, 2013; Gallardo-

Gallardo et al., 2013; Iles et al., 2010). The fourth philosophical category is inclusive and developable (bottom right quadrant of Figure 1). This position means that everyone has the potential to be excellent in a specific field; talent is always made, not born. HR practitioners under this philosophy put a strong focus on the training and development of all employees and encourage their personal growth. (Megers & Woerkom, 2014).

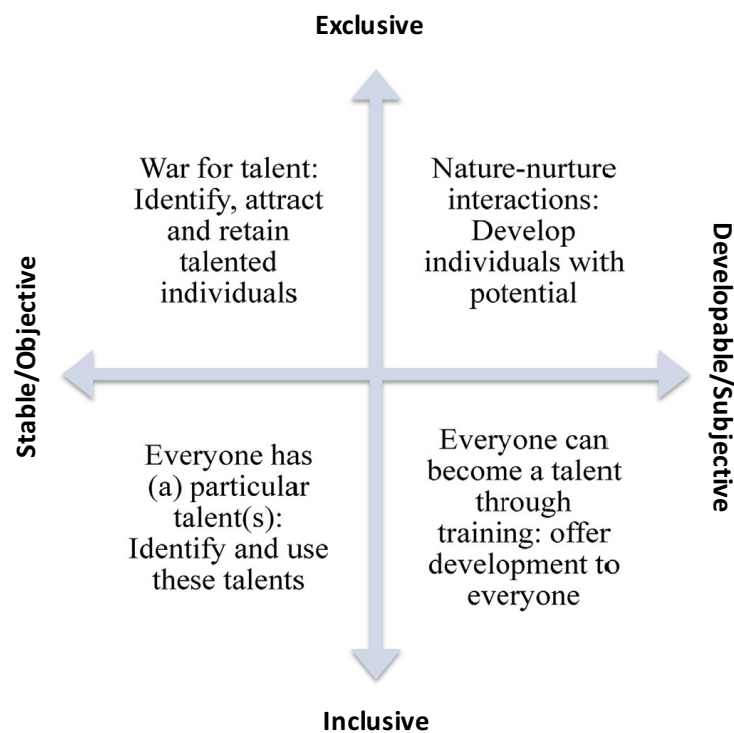


Figure 1. Talent and Talent Philosophies
(Megers & Woerkom, 2014)

The fundamental lack of consensus as to the meaning of “talent” in academic research presents challenges to understanding and agreeing on the notion of the concept of talent development (Gallardo-Gallardo et al., 2013). Therefore, as a consequence, the definition of TD also varies under different talent philosophies highlighted by the scholars within the literature. Table 2 shows examples of different TD definitions from the academic literature under different talent philosophies. However, despite the variety of ways to define Talent, researchers (Gallardo-Gallardo

et al., 2013; Tansley, 2011b) have found that the Developable (Subjective) talent approach has been more prevalent in TD practices in the workplace, and the developable-exclusive stance has the highest frequency among empirical studies (Garavan et al., 2012; Mehdiabadi & Li, 2016). This trend may be influenced by “War for talent” approach, which is built upon scarcity of key Talent. Under the “War for talent” approach, as argued by Downs and Swailes (2013), talent-related strategies are typically an exclusive process with the main focus on a few percent of individuals who will bring competitive advantage to the organisations. Thus, there has been a particularly strong focus in current writings on TD to consider the development of strategic or pivotal Talent (Garavan et al., 2012).

Table 2. Examples of Talent Development Definitions by Talent Philosophy

<i>Talent perspective</i>	<i>Talent Philosophy</i>	<i>Related Definition of TD</i>	<i>Authors</i>
<i>Developable (Subjective)</i>	Developable (Subjective)-Inclusive	TD as “a comprehensive development framework, can sustain the progress that transforms people from factors of production in to forces of contribution”	Benham (1993)
	Developable (Subjective)-Inclusive	“TD...as integral part of talent management...involves developing leaders via processes such as coaching, feedback, training, mentoring and challenging employees”	Ibeh and Dehrah (2011)
	Developable (Subjective)-Exclusive	“TD focuses on developing employees labelled as talented and those who hold linchpin positions in organisations”	Chami-Malaeb and Garavan (2013)
<i>Stable (Objective)</i>	Stable(Objective)-Inclusive	No definition found	
	Stable(Objective)-Exclusive	“Strategic talent management describes an organisation’s identification of key positions and, subsequently, the development of a talent pool to fill these positons”	Collings and Millahi (2009)

Despite the various definitions of TD in the literature, what is common, is that, the prominent managerialist and unitarist approaches in both literature and professional practices of TD (Mehdiabadi & Li, 2016; Thunnissen et al., 2013). With the managerialist orientation, TD is presented as a tool to improve the performance of

employees (mainly job performance) with the ultimate goal of improving organisational performance while the employees' individual career development and well-beings are ignored (Thunnissen et al., 2013). Meanwhile, although there are multiple actors involved into the TD process (line manager, HR, top management etc.), the implicit assumption is that all actors serve the organisational interest and do not have their own needs and goals (Thunnissen et al., 2013). This managerialist and unitarist orientation to TD has been criticized as a narrow and one-dimensional approach in the literature (Collings et al., 2015; Lewis & Heckman, 2006; Thunnissen et al., 2013).

To sum up, insufficiencies and inconsistencies in definition of Talent and TD are evident in the literature. Nevertheless, it is also clear that many definitions or practices of TD focus on the exclusive and developable (subjective) approach and emphasizes TD of a small group of high potential employees.

2.2. Talent Development Practices

Based on different TD concepts and organisational needs, various TD practices can be implemented. Garavan, Carbery et al. (2012) reviewed the literature on TD and categorized four types of TD practices: (1) formal programs, (2) relationship based developmental programs, (3) job-based developmental programs, and (4) informal developmental activities.

Formal program are typically targeted to middle and senior manager and technical/professional Talents to enhance generic skills and behaviours (Garavan et al., 2012). There is a broad range of formal program which includes university based long-term and short-term courses and in-company equivalents. The main focus of both university programs and in-house programs is on the individual development of

Talent in order to improve their performance and prepare them for future positions (Jackson, Farndale, & Kakabadse, 2003). University offerings include MBA degree programs and various non-degree executive development courses of varying lengths and content (Crotty & Soule, 1997). As Mehdiabadi and Li (2016) argue, formal education and certain academic degrees have an important role in TD and contribute to employability of individuals.

Relationship-based developmental TD are conceptualized by Higgins and Kram (2001) as formal and informal programs where one individual takes an active interest and action to advance the career of another individual (Garavan et al., 2012). According to Friday et al. (2004), typical relationship-based developmental practices are: coaching, mentoring, sponsorship, counselling about career advice, as well as counselling designed to provide psycho-social support. Although the practice of relationship-based developmental programs can help people see new perspectives (Balkundi & Kilduff, 2005), looking for the appropriate individuals to perform roles as coaches or mentors is challenging in most of the organisations (Garavan et al., 2012). Nevertheless, relationship-based TD practices are considered important because development takes place in context and learning is embedded in the learners' work (Garavan et al., 2012; Lombardozzi & Casey, 2008).

Job-based developmental programs refer to practices such as on-the-job training, stretch assignments. Many scholars and practitioners argue that job-based developmental programs have better training results than classroom training (Barzegar & Farjad, 2011; Huang & Jao, 2015). For example, Derue and Wellman (2009) suggest that the job-based developmental tasks provide a platform for individuals to try new behaviours or reframe old ways of thinking and acting. By highlighting the gap between Talent's current competency set and the future

leadership role's, on-the-job programs provide several sources of motivation for learning and development. Although, job-based developmental program has become an essential ingredient in experience-based perspectives of leadership development, there are two important limitations of such programs. First, according to Ohlott (2004), job-based programs need to meet a certain design requirements to be effective: have high instability and the potential to be successful, involve some form of cross-functional influence, take learners outside of their comfort zones and deal with different stakeholders (Garavan et al., 2012). Unfortunately, these potent criteria of designing job assignments are often unachievable for many small to middle size firms, and therefore, are ignored or used haphazardly. Second, challenging experiences can be overwhelming and threaten the developmental value of the on-the-job program experience (Derue & Wellman, 2009). Organisations are often fail to distinguish the level of the challenges associated with the job assignments.

The fourth category of TD practice is informal development programs, which are unplanned, ad-hoc, and predominantly experiential development activities with no specified outcomes; and are typically outside institutional sponsored and structured learning experiences (Nesbit, 2012). Examples of informal development activities include: self-directed learning, networking, and performance planning (Marsick & Watkins, 2001). Noe, Tews, & Marand (2013) argue that informal learning is important in today's dynamic and competitive business environment, because, for organisations, informal learning is an important means by which employees continually update their knowledge and skill sets to adapt to changing situations. Nesbit (2012) also noted that leaders' development should also be continuous and adjusting to environmental changes and demands. However, the nature of informal learning suggests that while learning can be planned it often arises in a less planned

way on the spur of the moment (Marsick & Watkins, 2001).

In summary, TD practices vary in their content, target scope, delivery methods and resources required. There exists a gap in the literature concerning exploration of the effectiveness of these practices and how they are designed for different Talent in different business contexts (Garavan et al., 2012; Mehdiabadi & Li, 2016). Given the various pros and cons of each different TD initiative, TD programs need to be carefully designed to align with organisations' needs and Talent's individual needs.

2.3. MBA as a TD practice and Its Practice in China

Beginning in the late nineteenth century, considerable research attention on TD implementation focused upon business school education programs and the MBA program in particular. As Crotty and Soule (1997) note, MBA degree “has become a nearly universal professional credential for managers” (p.8) (Baruch & Leeming, 2001; Crotty & Soule, 1997), and the MBA has become the most prestigious managerial qualification for high-potential Talent (Jackson et al., 2003). The purpose of MBA education is to provide training in the theory and practice of business management, and the MBA is said to generate significant tangible and intangible inputs to graduates' careers and their employing organisations (Baruch, 2009; Baruch & Leeming, 2001). A number of studies have identified the positive impact of MBA education upon its graduates: adding value to graduates and making them better managers (Baruch & Leeming, 2001), securing salary increase (Simpson, 2000), enhancing managerial skills and supporting career advancement (Zhao, 1997), developing career competencies (Chen & Doherty, 2013), and improving employability (Mihail & Antigoni Elefterie, 2006). In contrast, MBA programs also face intense criticism for failing to impart useful skills, failing to prepare leaders, failing to instil norms of ethical behaviour, and even failing to lead graduates to good

corporate jobs (Bennis & O'Toole, 2005; Nesbit, 2012).

In the recent literature, criticisms of MBA education generally focus on their relevance of MBA programs to the practice of management (Nesbit, 2012). Bennis and O'Toole argue, that business schools shifted their focus from educating practitioners to creating knowledge through research; corresponding with the view of management as a science rather than a profession. Moreover, many critics argued that university professors have become increasingly disconnected from practicing managers and leaders. More and more researchers and practitioners call for a return to "fieldwork" and "relevance" away from the more academic approach to business education. In other words, away from "knowing" to "doing" and "being" (Mangum & Wruck, 2011; Palmas, 2013). Therefore, in order to assess the relevancy of the MBA in TD, it is important to evaluate the impact of MBA as a TD practice by directly asking about employers' perceptions of MBA.

To date, most of the studies analysing the value of MBA programs (Gupta & Bennett, 2014), have sought to assess the effectiveness of MBA courses through graduates' or candidates' perspective. Many researchers argue that the graduates' perceptions may be biased by memories of particularly good or bad experience with the MBA program. Graduates' views on MBA values may also be influenced by their personal factors: age, career stage and income (Simpson, Sturges et al. 2005). For example, according to Simpson et al. (2005), women over 35 years old emphasize intrinsic benefits of MBA, such as confidence and job satisfaction, therefore, their judgment on MBA outcome would also focus on the intrinsic criteria. Thus, it is arguable whether graduates' view should be the main approach to determining the value of the MBA for TD. As argued above, employer viewpoints would also be expected to be important in determining the value of the MBA. However, there have

been very few studies conducted to reveal the perception of MBA value from employers' perspectives.

In China, MBA education has experienced rapid growth. In the 1980s, China sought assistance from other countries (US, EU, Japan, etc.) to improve its management training and development. A major innovation in the field of TD was the development of MBA courses in China. The first MBA program was set up in Dalian China with US assistance. A short later, in 1984, an EU initiative helped found the China Europe International Business School (CEIBS) in Shanghai, which is now rated as the top business school in Asia. The growth in MBA continued and by 2010 over 25,000 students enrolled in MBA programs (Warner, 2011). According to China National MBA Education Supervisory Committee (CNMESC, 2012), the number of MBA programs in China has increased by from 9 to 182, during the past two decades. MBA is considered to have had a great impact on the building of the Chinese market economy and local management skills (Chen & Yang, 2010; Yan & Mak, 2010).

At a time when China reaches a milestone of 25 years of MBA education, there are still few studies of the effectiveness of Western based MBA courses in China. As noted by Chen and Yang (2010), most MBA programs simply copied the US MBA model with management concepts and models originating from the West. Bambacas and Sanderson (2011) suggest that MBA students from Confucian countries have different learning preference which may be deficient for their transnational MBA studies. Thus the effectiveness of the Western management education programs in improving TD within China is of primary concern to education and management researchers and practitioners (Yan & Mak, 2010).

In summary, it is clear that MBA education has been widely used as a TD practice for future leaders in China. Whilst a number of studies have been conducted

to identify the potential benefits of MBA education, little research has been done to examine the impact of MBA from employer's perspective, especially in a Chinese business context.

2.4. Human Capital Model in Evaluating MBA Impacts

As many researchers claim, the study of TD has long suffered from a lack of measurement frameworks (Dries, 2013; Gallardo-Gallardo et al., 2013; Mehdiabadi & Li, 2016). In order to advance the study of TD, it is necessary to not only clearly define the concept of Talent and TD, but also to identify relevant theoretical frameworks that can serve as a basis to evaluate TD practices.

Human capital theory is one framework within the TD and HRM literatures, which operationalizes Talent as capital (Chambers et al., 1998; Ginzberg, 1971; Kramar, Bartham, & Cieri, 2014; Tansley, 2011a). According to Burton-Jones and Spender (2011), human capital usually refers to “the sum value of skill, knowledge and capabilities of the workforce of a firm and networks of relationships those people have formed that enable them to be more innovative and productive”. The human capital approach considers people as intangible assets whose future value can be enhanced through investment (Donate, Peña, & Sánchez de Pablo, 2015). As such, Becker (1993) referred to education and training as “investments” in human capital, and that both individuals and organisations make these investments. While the literature of human capital has devoted considerable attention exploring how individuals make choices regarding human capital investments, such as through selected university courses (Wright, Coff, & Moliterno, 2014), less is known about how organisations make their choice of investment, i.e. in selecting their TD practices.

Useen and Karabel (1986) established a 3-dimension framework to investigate and measure the types of human capital that an educational institution may bestow

upon its graduates: scholastic capital (the amount of knowledge acquired from courses), social capital (the actual and potential resources that can be mobilized through membership in social networks), and cultural capital (the value society places on symbols of status and prestige). Baruch (2009) extended Useem and Karable's three-dimension framework into a five-dimension human capital model to better capture the added-value of graduate business degrees. The two additional values added by Baruch (2009) are: Inner-value capital, which refers to the internal managerial competencies gained from self-awareness, self-esteem, confidence etc., and market-value capital which refers to the the value of improved remuneration that people can gain by a degree (Baruch, 2009; Baruch, Bell, & Gray, 2005). These five dimensions of value for completing an MBA degree, associated with the human capital model, are presented in Figure 2.

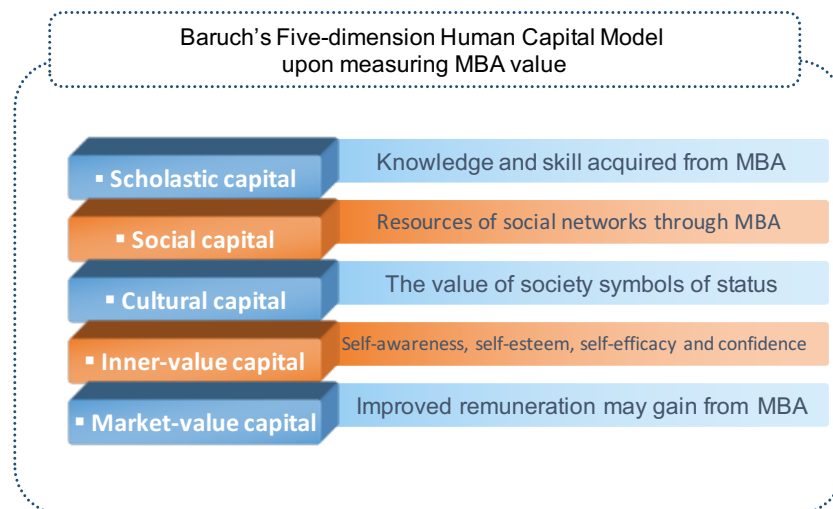


Figure 2. Five-dimension Human Capital Model

2.5. Cultural Factors that may Impact TD in China

The extant literature on TD is mostly based on an North American and Anglo context (Garavan et al., 2012; Mehdiabadi & Li, 2016; Thunnissen et al., 2013; Wang-Cowham, 2011). As Scullion and Ryan (2013) argue, too few studies have

been done outside the Anglo-Saxon management traditions. A search of the academic literature on TD practices in China yielded very few findings. Given that China has its unique circumstance in term of Talent shortages and the need for TD, and a strong culture based and deep-seated Confucian values, it is argued that the adoption of Western initiated TD practices may be problematic.

The majority of researchers and practitioners in the field of TD take the view that context matters (Collings & Mellahi, 2009; Garavan et al., 2012; Latukha, 2015; Lewis & Heckman, 2006; Özbilgin, Groutsis, & Harvey, 2014; Tarique & Schuler, 2010; Thunnissen et al., 2013; Wellins, Smith, Paese, & Erker, 2012). As Thummissen, Boselie et al (2013) concluded in their review of Talent management literature: “Despite different interpretations of talent, scholars agree on the impact of the context on the exact and precise description of talent”. When HR practitioners in China are trying to implement TD practices in their organisations, it is arguable that they may demand new practices that encourage a view of TD, more aligned with Chinese cultural values.

A recurring theme in the literature on Chinese management has been the impact of culture and, in particular, the influence of values derived from Confucianism on Chinese management practices (Wong & Slater, 2002b). Bedford (2011) states that Chinese culture, especially personal relationships (known as *Guanxi*), play an important role in driving success in Chinese business context, which has no exact comparison in the West and cannot be interpreted by Western career theories. Rooted in Confucianism, it is important to note that *Guanxi* provides moral guidelines for the Chinese as to their behaviour within their family and in society (Lin, Ho, & Lin, 2013; Ma & Tsui, 2015). The Chinese believe that making use of good *Guanxi* can help to get things done effectively and efficiently.

Literature also identified other Confucian values that can have an influence in doing business in the East Asian business context. Influential Confucian values include *face culture*, maintaining one's public dignity and the avoidance of threats to public image; *humility*, avoiding negative consequences arising from envy of others, by low expression of wealth and knowledge; *group orientation*, a sense of community, solidarity and harmony in society, where an individual coexists with others; *respect for hierarchy*, where each person should behave according to his or her rank (Lin et al., 2013; Monkhouse, Barnes, & Hanh Pham, 2013). Additionally, '*respect for education and scholars*' is also considered an important value from Confucianism. In China, well-educated people are seen as the elite of the society. As Confucius lectured “万般皆下品，唯有读书高” (“*To be a scholar is to be the top of society, and learning is the noblest of human pursuits*”). Based on the extensive history of Confucian values on Chinese society generally, it would be expected that TD practice in China would also be impacted by these traditional philosophies. Thus, this study also seeks to explore whether Chinese HR managers' perceptions about TD and the value of MBA practice may also be influenced by these traditional philosophies and Chinese cultural values.

Aside from Chinese cultural values, another contextual feature that may influence HR managers' values is institutional culture. With the emerging economic development, fast institutional change and the growing human capital heterogeneity in the labour market (Zhou et al., 2012), new practices of TD in many Chinese organisations can be under a higher level of influence by the culture of the organisation (Mehdiabadi & Li, 2016). Li and Nesbit (2013) for example, found that HR managers at multi-national companies (MNCs) in China have a high level of assimilation and internalization of many Western HRM values while retaining many

traditional Chinese values. Thus, it is reasonable to argue that the perceptions of HR managers from MNCs on TD and MBA practice could be different from those from locally operated or state-owned companies. Thus this study also explores whether institutional culture influences HR managers' perception towards TD and MBA.

Literature Summary

Talented employees are of significant and fundamental importance to the long-term viability and growth of Chinese organisations, therefore effective TD is a key ingredient in building organisational capabilities and ensuring sustainable competitiveness. While there are a variety of perceptions of Talent within the HRM literature (Garavan et al., 2012; Mehdiabadi & Li, 2016), a common perspective is to conceive Talent as a relatively small group of individuals within the pool of employees within the organisation who have the potential to be leaders and subject to effort to develop their potential in the organisation.

Different perceptions of Talent and concomitant philosophies lead to varied TD practices, including formal MBA programs. While the MBA has become the most prestigious managerial qualification for future leaders in China, little research has been done to examine the employers' perspective of the value of the MBA as a TD practice. In this study we use the five-dimension human capital model (Baruch, 2009; Baruch et al., 2005) to explore the perceived values and impact of the MBA as a TD practice.

Chapter 3. Methodology

This chapter describes the methodology used in this study, including the choice and benefits of the qualitative research design used, details of the conduct of interviews, discussion of the sampling procedure and sample size within the study, how data was collected and analysed. As well issues of validity and reliability are discussed.

3.1. Qualitative Research Design

The nature of the present research lends itself to a qualitative research methodology. Merriam (2009) explains qualitative research as understanding the interpretations of the participants' experiences, the meanings constructed in their worlds, and making sense of the experiences. Moreover, qualitative research design provides rigorous and systematic descriptive analysis required to obtain rich, in-depth details for understanding the phenomenon of the study's participants. Given the purpose of this study to understand the personal meanings and interpretations of the human resource (HR) managers' perception on Talent development (TD) and MBA in China, a qualitative research methodology is most appropriate. Specifically, the research questions which served to guide this research were:

- 1. How is 'Talent' defined and identified?*
- 2. What is the perceived as the most effective TD practice to develop Talent?*
- 3. What is the perceived overall value gained from doing an MBA (as a TD practice)?*
- 4. What is the specific value gained from doing an MBA as measured by five distinct types of value represented by the Human Capital Model (Baruch,*

2009) and which of these five values is most developed by completing an MBA program?

5. Are the perceptions of HR managers about TD and the value of the MBA program influenced by Chinese culture characteristics and/or institutional culture characteristics?

Given the exploratory and qualitative nature of the study and the research questions outlined above, interviews were selected as the main data collection method. According to Lofland (1995), as cited by Charmaz (2008), an interview is a directed conversation; allowing in-depth exploration of a particular topic or experience, thus making it a useful method for interpretive inquiry. The interviews in this study were semi-structured and open-ended. This method was particularly appropriate because the nature of human capital gained through doing an MBA is complex.

3.2. Sample

Sandelowski (1995) suggests purposive sampling could be used to target individuals with the qualifications to provide sufficient and important coverage of information. To guide the recruitment and selection of research participants for this study, a list of criteria was developed to create a homogenous sample that was information-rich in respect to the research questions of the study. The criteria include:

1. HR professionals with title HR manager or above,
2. A minimum of five years' experience in HR field and involved with training and development activities
3. Employed in MNC (Multi-national company), Local² (Private local company) or JV (Joint venture company)

² The term "Local" (with capital letters) as used in this thesis refer to a group of organisations that are Chinese owned and managed private firms.

4. Company located in Beijing, Shanghai or Chengdu.

Specifically, the following reasons were considered in developing the criteria. First, HR managers were focused on because they have unique qualifications to provide relevant and in-depth information required to understand the questions being studied. HR managers' opinions typically align with and therefore can represent the organisation's perspective. They are the individuals who actually design, administrate and evaluate the TD practices in the workplace. Also, HR managers are also in charge of company culture embedding in their organisations, and thus, they are the individuals who are able to explain institutional culture influence towards individuals if there is.

The second criterion related to HR managers with a minimum of five-years' HR relevant working experience with training and development involvement. This criterion ensures that the HR managers interviewed, have the sufficient knowledge about TD and have a holistic view of TD practices in their organisations.

The third criterion was to focus on MNC, JV and Local organisations as this helped to focus the research to for-profit firms which are more likely to have embraced Western TD practices. In state-owned companies (SOCs), HR management may still be practicing relatively unreconstructed old-style "personnel management" with Maoist model (Iles et al., 2010), so it is most likely that TD practices in SOC is fragmented, secretive and complicated with strong political orientation.

The fourth criterion related to location of the HR managers' firms. There are several reasons to choose these three cities (Beijing, Shanghai and Chengdu) as the research sites. First, Shanghai and Beijing are the engines of China's economic growth, and as China's economy continues to grow, the government has launched initiatives to develop west areas of the country (so called 西部开发 "*Develop the*

West” campaign). Chengdu, the largest metropolitan south-western Chinese city and the centre of the “Develop the West” campaign, has been ranked as the most successful economy (followed by Shanghai) of any mainland Chinese city by a US-based think tank after looking at factors as job growth, foreign investment and high-value-added industries (Ping, 2015). Second, “1st tier” and “2nd tier” cities, such as Beijing, Shanghai and Chengdu, whilst having less than 20% of national population, possess more than 80% of the leadership Talent (Iles et al., 2010). Moreover, according to the latest survey report “2015 College Graduates Employment Report” more than 90% of college graduates (especially with Master’s or Doctoral degrees) want to work in “1st tier” and “2nd tier” cities (Zhaopin.com, 2016). As such, it is more likely that representative TD activities and MBA (as a TD practice) practice would be on the agenda of organisations in these cities.

The interviews were carried out over a period of two months (May 2016 to July 2016) and the sample size for this study was 16 HR managers possessing the listed qualifications. Creswell (2009) explained the qualitative research as typically using small samples to obtain deeper investigations into the experience, paying careful attention to detail context and nuance. Patton (2002), citing Polkinghorne (1989), recommends that the researcher interview between five and 25 individuals from each sample. Existing exploratory research that used small interview numbers (Chen & Doherty, 2013; Chen, Doherty, & Vinnicombe, 2012a; Iles et al., 2010; Wang-Cowham, 2011), has demonstrated that small samples are able to provide in-depth and high quality information. Thus, given that the nature of this study is exploratory, and seeks in-depth insights about TD practices, the sample size of 16 HR managers is considered appropriate.

3.3. Sampling Procedure

The sampling procedures for this study included recruiting and selecting HR managers that met the criteria outlined above. To find potential interviewees from different industries and with diverse background, HREC (Human Resource Excellence Centre), one of biggest Chinese HR society based in Shanghai with more than 2,100 organisational members, was contacted to provide a list of HR managers. Based on the sample selection criteria, an invitation to be involved in the study was sent to 219 eligible members via the HREC internal portal. Thirty informants responded, 14 from MNCs, 12 from Locals and 4 from JVs. Initial contact with these thirty participants was made by the researcher through telephone and WeChat (A Chinese social media App., which is similar to Facebook or WhatsApp), describing the nature of the study and requesting an interview about TD practices to explore their perception of human capital values gained from MBA training. Eighteen HR managers initially agreed to be interviewed although only 16 of them were able to be organized for interview.

As Table 3 shows, participants of this study were from various companies and industries. Of the 16 participants, eight were from MNCs, six were from Locals and two were from JVs. Industries of participants covered Pharmaceutical (3 participants), Fast Moving Consumer Goods (FMCG) (2 participants), Manufacturing (3 participants), Health Care (2 participants), Consulting (2 participants), Financial & Banking (2 participants), IT (1 participant), and Logistics (1 participant). The majority of participants were female (n=12). Participants had an average age of 37.3 years, ranging between 30 and 46 years. Their average HR experience was 10.6 years and all had been involved with training and development activities in their current or previous HR roles. All were highly educated, with two having master's degrees. Six

were in senior managerial position (HR Director above) and the rest were in middle level managerial position (HR Manager to Senior HR Manager). Demographic details of the sample are presented in Table 3. The names of participants are disguised in this paper to assure anonymity.

Table 3. The sample

Name	Company Type	Industry	Age	Gender	Managerial Status	Organisation Location	HR Experience
A	MNC	Pham	35	F	Middle	Shanghai	10
B	MNC	MFC	46	F	Senior	Shanghai	19
C	MNC	FMCG	41	F	Middle	Chengdu	6
D	MNC	FMCG	35	M	Middle	Shanghai	10
E	MNC	Pham	41	F	Middle	Shanghai	16
F	MNC	MFC	45	F	Middle	Shanghai	18
G	MNC	HC	34	F	Middle	Shanghai	7
H	MNC	CST	42	F	Senior	Shanghai	16
I	JV	Pham	35	F	Senior	Shanghai	9
J	JV	CST	32	M	Middle	Chengdu	6
K	LOCAL	MFC	30	M	Middle	Shanghai	5
L	LOCAL	FIN	32	M	Senior	Shanghai	7
M	LOCAL	IT	33	F	Middle	Beijing	8
N	LOCAL	FIN	39	F	Senior	Beijing	13
O	LOCAL	HC	36	F	Senior	Beijing	11
P	LOCAL	LOG	34	F	Middle	Chengdu	6
$\bar{x}=37.25$							$\bar{x}=10.55$

*Pham-Pharmaceutical, FMCG-Fast Moving Consumer Good, MFC-Manufacturing, HC-Health Care, CST-Consulting, IT-Information Technology, FIN-Financial, LOG-Logistics

3.4. Data Collection

A semi-structured interview schedule was designed to elicit information on current TD practices and HR managers' perceived value of the MBA. Semi-structured interview questions format allows more freedom to the respondents than structured interview questioning. Mandel (1974) suggests that semi-structured interview questions can reduce the limitation of responses while maintaining specificity, and

improve the reliability of the responses. The interview guide presented in Appendix A contained 11 questions which focused on five broad areas:

- 1) Talent definition and criteria used in the HR manager's organisation
- 2) TD practices used and their perceived effectiveness
- 3) Current practice associated with using the MBA as a TD practice
- 4) Perception of the continuing value of the MBA in the future
- 5) Perceived value gained through MBA, based on the five-dimension human capital model
- 6) Questions about the influence of national and institutional culture on TD practices generally and the MBA specifically

Questions were modified as needed, relative to the individual's responses. The participants were also asked for a description of their organisation in order to gain a general picture of company nature, organisational environment, and company culture.

Each interview lasted about one hour, with an additional 15-20 minutes' brief introduction of the research background and the five human capital model/dimensions. All interviews were conducted mainly in Mandarin with occasional use of English, and permission was sought to tape-record the interviews. All interviewees were asked to provide brief introduction of their companies during the interviews in order to confirm their company type for later data classification. The transcripts were translated into English by the researcher, a native Mandarin speaker and trained interviewer³. After transcription of the interviews, some unclarities and ambiguities were detected in four of the transcripts. To deal with these issues, a copy of the transcripts was emailed to the respective interviewees and the transcriptions were subsequently amended/clarified via the telephone and WeChat discussion.

³ The author possesses more than 10 years' working experience as human resource executive at MNCs where he was trained as a professional interviewer.

3.5. Approach to Data Analysis

Patton (2002) states that the challenge of qualitative analysis lies in making sense of unstructured and massive amounts of data. As expected, a substantial amount of data was compiled by the researcher during the data gathering process. To begin the analysis, transcripts were first organized digitally and the master folder was backed up to computer. Patton (2002) suggested that it is prudent to make backup copies of all data for safekeeping. Each transcript was labelled with the file name and numbered for quick and easy reference. Once data was prepared, the data were imported into NVivo version 11.0. to streamline the coding process, which was a detailed and time-consuming procedure. The following steps of the coding process were followed: text/nodes search, grouping and re-grouping, exploring correlations between nodes, counting numbers of similar comments and importing figures for reworking in Excel. To ensure the reliability and validity of the findings, manual analysis of reading interview notes was carried out to check emerged themes by triangulating evidence under each theme, and identifying if there were additional themes missed out in the process.

Segments of data were highlighted as categories under corresponding variable construct, which were made according to the company type (MNC, Local and JV), industry and the age (30-34 years and 35-46 years) of the interviewees. However, after the first review of company background description, the three company types (MNC, Local and JV) were re-classified and combined into 2 groups: MNC and Local. This was because the organisational characteristics of a JV company depend on which investment party (local party or foreign party) dominates the daily operation of the company. Since this two JV companies were dominated by the Local Chinese partner and the characteristics of the organisations (operation, organisational structure, people

management etc.) were similar to those classified as Local firms. Finally, the data were synthesized in a way to tell the larger and clearer story of what was learned throughout these interviews.

3.7. Ethics Approval

Regardless of the approach taken in the inquiry, permissions needed to be obtained from Ethics Committee. The researcher had submitted the Ethics application to the MGSM Ethics Sub-Committee, the Committee reviewed the research study design and confirmed that this research meets the requirements of the National Statement on Ethical Conduct in Human Research (2007). Ethics approval was granted with reference number 5201600263.

3.8. Validity and Reliability

In qualitative research, validity and reliability does not have the same meaning as it does in quantitative research. Creswell (2009) states that qualitative validity means that the researcher checks for the accuracy of the findings by employing rigorous procedures, and qualitative reliability indicates that the researcher's approach is consistent across different researchers and different projects (p. 190).

In order to strengthen the validity of this study, the following steps were carried out to ensure the findings were accurate from both the standpoint of the researcher and the study participants. First, an interview guide was prepared to define the general process of how the researcher conducted each interview (see Appendix A). The researcher also spent time establishing a relationship of trust with the HR managers through WeChat or several phone calls before conducting the interview. Third, the data was collected through an hour-long in-depth interview with each of the 16 participants. Fourth, the researcher kept in contact with the participants after the

interview and engaged with them through the transcript writing and reviewing process. Fifth, the participants were offered an opportunity to review the transcribed words matched their ideas as intended.

Reliability in qualitative research can also influence the quality of the research process. In order to strengthen the reliability of this study the researcher 1) checked transcripts to ensure that they did not contain obvious mistakes made during the transcription process; 2) ensured that the coding process stayed consistent by using NVivo 11 qualitative data management software; and 3) by using constant comparison during data analysis using information collected from interviews. Patton (2002) recommend using constant comparison throughout the coding process to identify themes, concepts, and categories related to the topic. In this study, constant comparison was conducted by comparing data across company type and industry segments to determine similarities and differences.

Chapter 4. Research Findings

This chapter presents the research findings from the interviews pertaining to HR managers' perception of TD practices and the perceived value of the MBA in China. The purpose of this chapter is to provide a comprehensive summary of the research findings. The findings of this research are presented within the context and structure of the study's research questions.

4.1. Research Question 1

Q: How is 'Talent' defined and identified?

There are two primary components of TD in China that were discussed with the HR managers. The first discussion revolved around the definition they used for Talent and the criteria they used to identify Talent. The second component discussion of TD referred to the Talent population in their organisations. Specifically, what is the average Talent proportion of total employee in these organisations? These two discussions of TD helped to create a picture of the general TD situation at these Chinese firms and allowed a deeper discussion to occur in relation to the TD practices and their effectiveness in the organisations.

4.1.1. Talent Definition and Criteria

There was no clear and unitary definition of Talent in these organisations, rather participants derived their own conceptualization of what Talent is. For example, when Manager P and Manager K were asked about the definition of Talent in their organisation, they replied:

"We have our own definition of Talent, first of all, the Talent should have good moral character besides competency. We have our Talent selection

principle which is ‘Virtue as the essence, Ability as the importance, Performance as the guiding’”

-Manager P (Local)

“(To define Talent)... In recruitment process, we look his/her past performance; in development process, we check finance (business) performance and non-finance performance: team collaboration and leadership performance. In general, Talent can be defined by performance and added-value.”

-Manager K (Local)

When the various responses to the question of HR managers’ criteria of Talent were compared and contrasted, however, a number of commonalities were found. Broadly speaking, the commonalities related to Talent to high performance and high potential. Nine participants explicitly stated that Talent identification in their organisations was based on performance and potential in general. However, when the researcher further asked how they measured “potential” in their organisations, the respondents from MNCs and Locals provided different answers. MNCs tended to apply simple psychological techniques or competency models using quantitative measurements to evaluate “potential”, for examples: learning agility assessment and Profile XT⁴. The following quotes from Manager G and Manager D are the typical examples of Talent potential assessment at MNCs:

“For potential, we use PI (Personality Index), a personality assessment tool from a US vendor.”

-Manager G (MNC)

“Vision, Ambition, Leadership and Judgment. These are the four competencies defined by our global corporate to evaluate potential. For each competency, we have five ranks: minus minus, minus, equal, plus and plus plus”

-Manager D (MNC)

⁴ The Profile XT (PXT) is a multi-purpose assessment that measures 20 performance indicators that are used for selection, development, training, promotion, managing and succession planning.

In contrast, Locals tended to put emphasis on organisational culture related criteria with less quantitative measurements to appraise Talent potential, as indicated in the statements below:

“I think it depends on the company culture and company strategy, as you know, Company M is famous for its “Wolf culture”, we recognize “fighter spirit”, this is the first criterion in our selection process... Company culture (fit) accounts for a large proportion of identifying Talent, I think it weights around 30-40%.”

--Manager M (Local)

Besides “五化”⁵ (Wuhua - Five More: more young people, more internationalization, more professionalism, more Elite school graduates and more internet talent), we also prefer Talent with “冲劲” (Chongjin: aggressive spirit) to lead this young organisation to achieve more...

--Manager L (Local)

Managers from Locals often claimed that their Talent criteria were unique from other (MNC) organisations in terms of emphasizing features of the organisational culture. It would seem that the varied ways that Talent potential in Locals is identified reflects the influence of industry and institutional culture. The HR manager in Company M, for example, emphasised “wolf culture” and “fighter spirit” in her Talent definition description, is representative of the typical IT industry culture which is more aggressive and result oriented than other industries’ (Pei, 2016). By selecting and recruiting Talent who fit their culture, those organisations may strengthen their institutional culture. Thus, the Talent identification in Locals, could be considered an attempt by management to enhance and reinforce institutional cultural values.

⁵ 五化 (Wuhua): Literature mean Five Modernization or Five More. In many Chinese local firms, organisational culture, national or company policies are usually sloganized to short phrases for diffuseness.

4.1.2. Talent Population and TD Approach

The findings also revealed the extent of Talent in participants' organisations averages at around 15% of the total employee.

“although every employee is important, we only consider the top 15-20% employee as our Talent” (Manager M)

However, this figure was often seen as ideal figure or target as Manager E explained:

“Ideally, we are targeting 10-15% people as our Talent. However, it really depends on the business status, for example, we are now in the starting stage, therefore, our identified Talent at this moment is only 5% of the population.”

What seemed to be common across all organisations, though the exact percentage of Talent in these organisation varied, is that, the target scope of talent was only a small group of individuals (around 15%), rather than considering every employee as potential Talent. The scope and the criteria of Talent in these organisations showed that these HR managers adopted the “exclusive-developable” approach of TD, because Talent was defined as a small group of individuals (15% on average) and Talent was said to be developed through development activities. As discussed in the Chapter 2, Literature Review, on page 9-10, the “exclusive-developable” approach suggests that Talent is considered to be rare and at least partly innate, and that talent is often latent and can only be unveiled through development activities.

Summary of Findings for Research Question 1

Q: What is the status of TD practice in China from HR managers' perspective?

In summary, a range of perspectives emerged from participants' responses in terms of Talent definition in their organisations. However, in identifying Talent, respondents from both MNCs and Locals tend to adopt an “exclusive-developable” perspective. The criteria of high potential put forward by HR managers from Local

organisations mostly focused on measurements carrying strong features of organisational culture, i.e. “fighter spirit” or “Chongjin”. By contrast, the MNC respondents stressed the importance of psychological assessment with quantitative measurements, i.e. PI or Profile XT.

4.2. Research Question 2

Q: What is the perceived as the most effective TD practice to develop Talent?

The analysis for Research Question 2 revealed four themes from the informants’ reflections on TD practices and their effectiveness: 1) the general picture of TD practice; 2) the effectiveness of TD practices; 3) the MBA practice as a TD method; and 4) the perception of MBA’s future value. As the participants discussed their experiences with TD in organisational practices, the researcher recognized repetitiveness of terms and comments that led to a general understanding of TD practices and their effectiveness in these organisations. The difference between the two classifications of participants: MNCs and Locals was also examined and difference were identified indicating the influence of organisational context on TD implementation.

4.2.1. General picture of TD Practice

There was generally a growing awareness of the importance of training and development for Talent amongst the 16 participants, and most of their organisations tended to provide very comprehensive training resources and development opportunities for Talent. These practices ranged from sponsoring higher education (such as MBAs), in-house training, mentoring, leadership development programs, on-job learning, performance management and exposure opportunities. Table 4 shows the range of practices reported being used in respondents’ organisations for Talent

development.

Table 4. Talent development practices and examples

TD methods/practices	Examples of practices
Sponsoring higher/further education	MBA, EMBA, Executive course at business school
In-house training and learning programs	Soft-skill training, leadership course, functional/professional/technical training, managerial training, e-learning courses
Internal training	New employee orientation, company culture embedding (orientation, teambuilding), Soft-skill and professional training by internal trainer
Mentoring	Mentoring, Coaching, Buddy programs
Leadership Development programs	Management trainee program, Talent program, succession planning program
On-job learning (project/assignment)	Job rotation, stretching assignment, cross-functional project, international assignment
Performance management	Fast track promotion for top performers, Linking performance appraisal to reward and promotion
Exposure opportunities	Attend management team meeting, Give speech at big meetings

All of the 16 respondents' companies in this study provided various in-house training and learning programs for their Talent, including soft skill training, functional/technical training and leadership skill training. MNCs tend to use more external trainers and facilitators, while, Locals leveraged senior managers as internal trainers. As one of the biggest Local logistics company in China, Company P conducted most of their trainings by its internal trainers, as reported by manager P:

“We actually sent our internal trainers to the external course first so they can come back and run internal trainings. Only for those very senior level executives, regional GM, we also provide external training opportunities or invite external trainers to give them seminars.” – Manager P (Local)

Manager O from a Local company also discussed their competency based internal training system which leveraged senior managers as facilitators.

“Internal trainings are facilitated by internal senior managers... Based on our competency model, we identify gaps between Talent’s current competencies and target position’s competencies and provide training course accordingly...”

-Manager O (Local)

In Locals, external in-house training was considered as a reward of high performance and restricted to a very limited number of staff, while most of the employees were only eligible to internal training courses. Moreover, in the Locals, where the internal trainings were offered, the training duration was usually shorter than their MNC counterparts. In MNCs, in-house trainings often one-day to two-day courses, while, the internal trainings conducted in Locals usually only runs for a few hours. The limited duration of training courses within Local firms highlights their concern for cost/budget control. As Manager P explained:

“Personally, I think sending people who have strong learning ability to external training programs would be good, however, consider the cost, it might not be the best tool for us”.

-Manager P (Local)

TD budget in Locals seemed far below average training cost in the market. For example, ‘Manager O’ from a Local firm mentioned her training budget of her organisation, a company with 8,000 employees that had achieved outstanding business results in the recent years. She indicated that the training budget allocated in the current year had increased compared with previous years’. However, the figure she revealed was actually much lower than the market benchmark⁶. She seemed to be

⁶ Average training budget in Chinese organisations is usually 1.5% of employee’s remuneration. And the average yearly wage in 2015 was CNY62,029 (AU\$12,400). (source from <http://www.tradingeconomics.com/china/wages> and www.uichina.com) Based on these two numbers, therefore, the benchmark of training budget for a company with 8000 employees would be: $62029 \times 8000 \times 1.5\% = 7,443,480$ (CNY) (AU\$1,488,000).

unaware of the average training cost in the market and introduced the training budget of her company with great pride.

“... We have annual budget up to CNY 1,000,000 (AU\$ 200,000) for the external training.” — Manager O (Local)

There was a general consensus amongst the respondents for all 16 companies that on-job training was the most popular practice to develop Talent. Although on-job training may be given different names, all the participants reported that they had at least one of the following on-job training practices: stretch assignments, job rotation, international assignments, and cross-functional projects. Manager M and Manager O provided two examples of on-job training practices:

“We are very big company, we have 170,000 employees and we have many changes. We assign some emerging projects to high potential Talent, half year to one year and sometimes the projects are cross-functional, we call this ‘Training Ganbu (Cadres)’”. —Manager M (Local)

“We give Talent challenging projects and stretch assignments and job rotation. Actually, in private companies, where is lack of systematic process, there are a lot emerging issues and ad hoc projects. We don’t have coaching program, in many cases, they develop themselves through the challenging assignments. We ‘pull up seedlings to help them grow’”. —Manager O (Local)

4.2.2. The effectiveness of TD practices

Eleven of the participants asserted that on-the-job training is the most effective tool to develop Talent. Many of them discussed “learning from doing” as their TD principle or philosophy, as Manager B suggested:

⁷ “Ganbu” (Cadre): the term *Guanbu* refers to a public official holding a managerial position, usually in party and government, therefore, the term is often addressed in local state-owned enterprises and some local private companies in China. However, in MNCs, the term is seldom used.

⁸ A Chinese idiom, literature means “spoil things by excessive enthusiasm” which refers to the temptation to hurry the development beyond one’s natural learning rate.

“Personally, I believe in “learning from doing”. Even though you know the theories and the methodologies, you still need to learn from doing to apply the theories well and improve the effectiveness. Of course, the insights from others is also important, which would broaden your view, but eventually to apply the concept onto operation should be through doing.” -Manager B (MNC)

According to the majority of respondents, on-the-job training, when compared to other TD practices, is more “concrete” (practical) and is not “training conducted for training’s sake”⁹. This finding supports previous research in the literature regarding on-the-job training that it has better training results than classroom training (Barzegar & Farjad, 2011; Huang & Jao, 2015). Many respondents claimed that there is a clear correlation between one’s on-the-job training targets and performance evaluation objectives, as suggested in the comments by Manager O:

“As we need to develop ourselves in our own function, the best way of development is “leaning from doing”, through which the talent can gain more confidence. If you learn something from external courses, you may not have the confidence as you do from a real job, because eventually you will be evaluated by the performance result of your real job. Therefore, I think the important project or stretching assignment is more effective.”

-Manager O (Local)

Additionally, cost saving can be another concern in the ranking on-the-job training as the most effective practice, especially in the Locals.

4.2.3. MBA practice

Whilst sponsoring MBA education was one of the key TD practices reported by previous research on Talent development (Cai et al., 2009; Cooke, Saini, & Wang, 2014; Shi & Handfield, 2012), the discussion with participants in this study suggested

⁹ “Training conducted for training’s sake” refers to the formality of conducting trainings to fulfil the targets of training department and where trainees’ genuine needs were ignored.

reduced use of MBA programs as a TD practice in China. Only seven participants stated that they had an active MBA or EMBA sponsoring program in their current organisations. As Manager M reported,

“MBA sponsoring program gets less and less support from our management”.

There are two challenges of implementing MBA sponsor program in their organisations according to the respondents. The first challenge is cost issue, as Manager O said:

“Actually, sponsor MBA means a lot of money. In private companies, you know, they pretty much care about cost. Sponsoring MBA can be a condition when we are recruiting senior executives as a retention reward.”

–Manager O (Local)

The other main concern of MBA sponsor program as a TD practice is the effect referred to as “two-edged sword”, which refer to the fact that an MBA qualification not only raise individual’s management competencies, but also enhances their employability in the market. Thus, the use of MBA sponsoring program is perceived as carrying a high level of turnover risk. Manager N echoed this concern:

“Many people take MBA programs for career transformation, change their career path. You know, they want to change their jobs or start their own business or make some investments. MBA is a very good method of transformation.”

-Manager N (Local)

Manager M also suggested that the value gained from MBA, has most benefit for the individuals involved rather than giving much benefit to the employer.

“I think for the individual, for sure, their social network has been expanded...We found that he didn’t bring any advantage from his MBA networks to his job, maybe only for his personal social networking.”

--Manager M (Local)

However, rather paradoxically, all of the HR managers held the view that the MBA can also be used as a retention tool. Sponsoring Talent for the MBA is conditional in most of these companies in China as it usually requires a certain number years of service to be committed to by the person being sponsored. Manager H provided an example of how MBA sponsoring program worked as a retention tool in her firm:

“Normally, they need to sign binding contract which requires them to serve the company for 2-3 years after MBA. You know, company sponsored many hundred thousand Yuan to their studies, if they leave the organisation before the binding period, they need to pro rate refund the money. I think it is also company’s retention strategy.”

-Manager H (MNC)

4.2.4. MBA’s Future Value Outlook

Despite the decline in use of the MBA as a TD practice, thirteen of the participants in this study believed that sponsoring the MBA would continue as a TD practice in the future in China. As a TD practice, the MBA was considered a “gold-plating” process in China, that is to say graduates can improve their “value” and employability to executive’s positions in a relatively short time. People believe the “gold-plating” process is a short cut for career development in China. Meanwhile, the optimistic estimation on MBA’s future value also reflected by the Confucian value of ‘respect education and scholar’ and ‘the importance of Guanxi’. For example:

“Yes, I believe so (MBA value continues). This is a systematic business training course, no matter you like it or not, its value as a business degree will continue in the future.”

-Manager O (Local)

“My feeling is Yes. As we discussed before, besides knowledge and skills, MBA has its significant value on other aspects, for example social network.”

-Manager M (Local)

However, as emphasised by most of the participants, the future value of the MBA also depends on the accreditation and the brand of business school. As Manager J addressed:

“I think yes (MBA value continues), but I am not optimistic on the second-class and third-class MBAs. The branding and quality of business school is very important. There are too many MBA programs nowadays. In general, the value of MBA will continue for sure.”

-Manager J (Local)

Summary of Findings for Research Question 2

Q: What is the perceived most effective TD practice to develop Talent?

Along with a growing awareness of the importance of TD participants highlighted a variety of TD practices used. These practices range from sponsored education program, in-house training, on-the-job training, internal training, mentoring, leadership development program, performance management program and exposure opportunities (see Table 2). In particular, on-the-job training appeared to be the most widely adopted TD practices in both MNCs and Locals, and it was also ranked as the most effective method to develop Talent by the HR managers. Another theme revealed that MBA sponsoring programs, as a TD practice, has become less popular. Respondents identified two challenges to implement MBA sponsoring programs: first is the cost issue and second is “two-edge sword” issue, i.e., that the MBA tended to benefit the individual more than their organisation. Nevertheless, most of the HR managers agreed that through signing binding contract with employees, MBA sponsoring program can be a useful retention tool. As for the continued high value of the MBA in the future, most of the participants shared a positive view.

4.3. Research Question 3 & 4

Q: What is the perceived overall value gained from doing an MBA (as a TD practice)?

Q: What is the perceived overall value gained from doing an MBA as measured by five distinct types of value represented by Human Capital Model and which of these five values is most developed by completing an MBA program?

Research Question 3 & 4 focused on HR managers' perceptions of the value gained from MBA training specifically by exploring the value of the MBA in terms of the five dimensions of the human capital model: Scholastic, Social, Culture, Inner-value and Market-value capital (Baruch, 2009; Baruch et al., 2005). As discussed earlier in the section 2.4, this five-dimension model of human capital is based on Useem and Karable's work (1986) in evaluating the perceived value associated with MBA education. What seems to be in common, as reported by the participants across the two company type groups, was that, MBA education bestowed value more or less in all the five dimensions. However, there were some marked differences in perceptions about how much value was created in some of the five dimensions.

In order to measure and represent the perception of the HR managers for each of the five dimensions of the Human Capital Model, the comments of interviewees were classified by the researcher in terms of whether the HR manager considered the value with each dimension gained from MBA to be "Very significant", "Significant", or "Not significant". Each comment was read by the researcher and assigned to one of the categories. A selection of comments were also read by another scholar experienced in HRM and classified in the same way. A comparison of results showed high agreement the assignment of categories. Examples of quotes and the

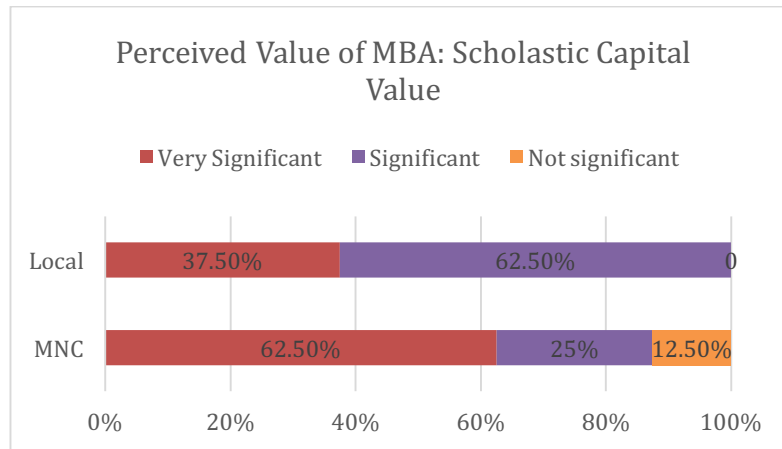
corresponding evaluation are given in Table 5. A complete list of evaluation classifications of HR managers' comments by each of the five dimension is given at Appendix B. Figure 6, Figure 7, Figure 8, Figure 9 and Figure 10 graphically represent the extent of the researchers' perceptions of the three categories of value (Very significant, Significant, and Not significant) assigned to the comments of HR managers for each human capital dimension for MNC and Local organisations.

Table 5. Response categorization and coding example

RQ	Response	Coding	Category 1	Category 2
3.1	<i>Knowledge and skills (Scholastic capital) can be improved but not very significant and qualitatively changed. –Manager O (Local)</i>	Scholastic capital	Local	Significant
3.1	<i>Definitely. In China, many executives are developed and promoted from junior operator level, they don't have the formal managerial training or business management training. MBA provides systematic training, business knowledge, management knowledge, and I am very certain in that MBA can improve their scholastic capital value obviously. –Manager K (Local)</i>	Scholastic capital	Local	Very significant
3.1	<i>I think it depends, the individual's (background) and the quality of the business school. Not all the MBA programs have good impact on candidates' performance at work. –Manager E (MNC)</i>	Scholastic capital	MNC	Not significant

4.3.1. Scholastic Capital Value of MBA

Table 6. Perceived Scholastic Capital value of MBA



Scholastic capital refers to the knowledge and skill acquired from MBA program (Baruch, 2009; Baruch et al., 2005). As Table 6 shows that all of the participants from Locals and 87.5% participants from MNCs claimed that the MBA was very significant or significant in providing value to graduates, in terms of granting them knowledge and skills. According to the respondents, the perceived Scholastic capital value obtained from MBA included gaining broader view/perspective, better cross-functional sense and wider scope of knowledge. In this sense, respondents' perception of Scholastic capital through MBA training is related more to the development of conceptual knowledge than specific functional or technical knowledge. As Manager J from Local stated:

“MBA graduates have better big-picture view and broader perspective. For example, during the case study sessions in the Eagle Plan, those MBA graduates have better understanding of the financial reports and have big-picture view of the case company. Much different from those who do not have MBA background, I think the difference is quite big.” –Manager J (Local)

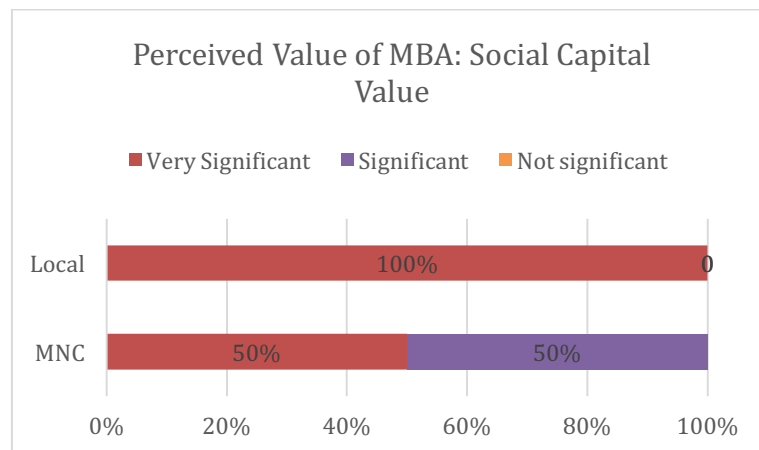
Manager B from a MNC further explained the reason to support her perception on Scholastic capital from MBA.

“In China, managers are normally developed from specialists in their functions, such as HR or Finance. Through MBA programs, they can systematically learn and understand other functions, what do the key functions do, how do they run their functions, and it provides them good overview of business running and teaches them common language to communicate with other functional team members. MBA also broaden their view and gives them more opportunities for their future job rotation.” –Manager B (MNC)

In short, Scholastic capital is seen to be increased significantly from MBA education in terms of broadening view and widening the scope of knowledge in both MNCs and Local firms.

4.3.2. Social Capital Value of MBA

Table 7. Perceived Social Capital value of MBA



Social capital is the sum of the actual and potential resources that can be mobilized through membership in social networks through MBA studies (Baruch, 2009). Table 7 shows that all HR managers from the Local firms and 50% of HR managers from MNCs were judged to consider the perceived social capital value gained from the MBA to be very significant and the remaining 50% of HR managers in MNC were e judged at rating it significant. Building and developing networks with

peers, alumni and faculty was seen as an important purpose and result of attending MBA program. As Manager I addressed:

“We can even see that many MBA students exhibit their (celebrity) classmates in their WeChat (Chinese version Facebook), and their classmates became their social network platform. In many cases, when we ask people why they take MBA, the answer would be ‘to expand my social network’”.

--Manager I (from Local)

Similarly, the social value of the MBA is highlighted in the comment of Manager K below:

“In China, social capital is always in demand. Many people actually pay MBA fees just in order to increase their social capital... I think MBA is a fast and concentrated way to develop social network.”

--Manager K

(from Local)

Manager O provided an example of the relationship between the MBA and the Confucian value of *Guanxi* in China:

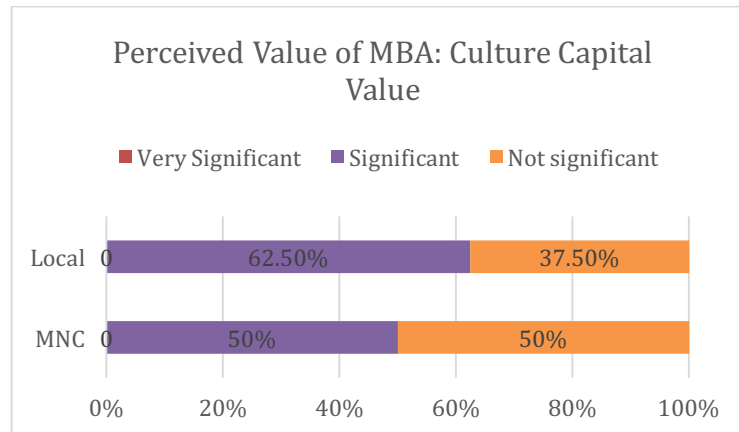
I actually know one guy; he graduated from Beijing Technology University which is not an elite school. He started his own business after his MBA and he made great success because of the Guanxi from alumni...which is very important in China.

--Manager O (from Local)

In short, according to the HR managers, MBA programs in China significantly bestows Social capital value. By expanding graduates social network related to the Chinese value of *Guanxi*, the MBA helps alumni doing business in China. This finding supports research on the significance of *Guanxi* in Chinese business where the social networking is an essential element in conducting business successfully (Chen & Doherty, 2013; Chen et al., 2012a; Chen, Doherty, & Vinnicombe, 2012b).

4.3.3. Cultural Capital Value of MBA

Table 8. Perceived Cultural Capital value of MBA



Cultural capital is developed through the value people within society place on symbols of status (Baruch et al., 2005). Just over half of the participants (five (62.5%) from Local firms and 4 (50%) from MNCs) claimed that the MBA contributed Cultural capital value. However, as showed in Table 8, none of the participants reported the increase Cultural value as “very significant”. Most of participants suggested a decline in the MBA’s value as a “social status ladder” (Baruch et al., 2005). For example, Manager B from MNC highlighted:

“I think 8-10 years ago, MBA might be a plus (of Culture capital), but nowadays, not really. You know, in China, there are too many MBA programs and the qualities are various...”

-Manager B (MNC)

According to Manager I from a Local organisation, MBA used to be perceived as superior to other master’s degrees, but now the Culture capital from MBA is dropping:

“For most of people, MBA graduates are superior than other professional master degree holders. Culture wise, they respect and expect them to be higher; they believe that the great ideas and creative thoughts are all from MBA holders. I think this perception is impacted by our stereotype impression of the first MBA generation which is more than 10 years ago.”

-Manager I (Local)

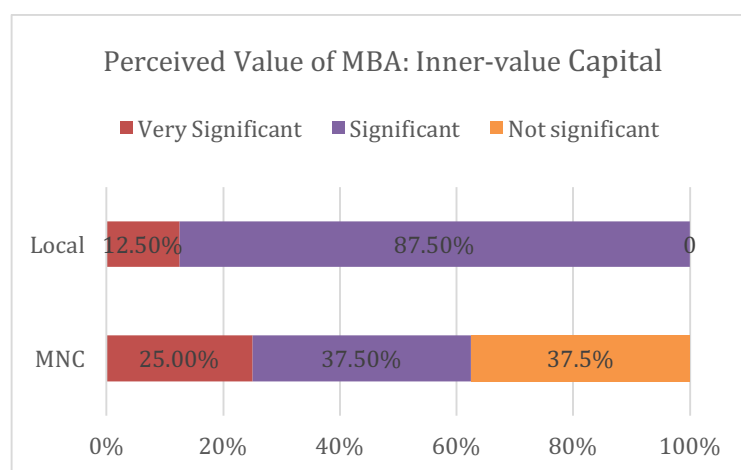
Some participants further pointed out that the reason for the decline of the MBA is because its Culture capital had been overused in recent years. Manager F from a MNC captured this sentiment in the statement below:

“In China, MBA is more or less a “gold plating”¹⁰ process and that’s why many people are flooding into MBA schools including pop stars and celebrities.”
-Manager F (MNC)

In short, although MBA still can provide some Culture capital value to graduates, this value has dropped in the past 8-10 years. More and more people don’t consider MBA as a “social status ladder” anymore.

4.3.4. Inner-value Capital of MBA

Table 9. Perceived Inner-value Capital of MBA



Inner-value refers to a high sense of self-awareness, self-esteem, self-efficacy and self-confidence (Baruch et al., 2005; Baruch & Leeming, 2001). As can be seen in table 9, most of the HR managers from Local and MNCs were assessed as perceiving inner value of the MBA as significant or very significant. However, the interviews revealed that most of the inner value was associated with increasing self-

¹⁰ “gold-plating” refer to a process through which people can improve their “value” and employability to higher positions in a relatively short time, which is often used to describe a short cut for career development in China

confidence rather than the other parts of inner capital value. HR managers from MNCs believed that personal constructs (apart from self-confidence), such as self-concept or self-esteem are hard to improve. As Manager F said:

“Self-confidence is improved for sure. Self-efficacy etc. can’t be improved through MBA, I think. In general, I don’t think inner-value capital has much difference before or after MBA.” -Manager F (MNC)

Self-confidence, as the most influential factor in this dimension seemed highly appreciated in Local organisations where confidence was considered as a sign of being proactive and successful (Child & Möllering, 2003). This view of confidence is reflected in the statement of Manager L, who described confidence as “shinning” in his Local organisation.

“Inner-value can be improved. They can become more and more confident, more and more shinning; however, sometimes it’s too much. We need people has 三观正 (Sanguanzheng: Authentic).” -Manager L (Local)

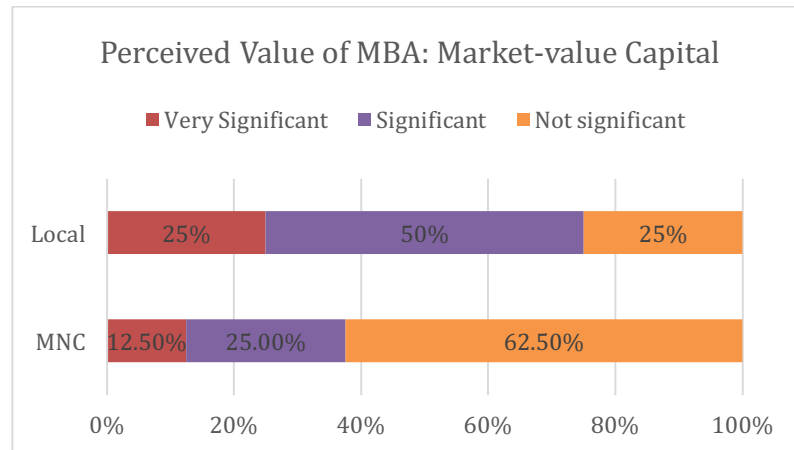
This view of confidence may reflect the increasing influence of neo-Confucian culture and Western management values. In China, traditionally, confidence and pride was restrained (Hua, Harris, & Ollin, 2011; Lu, Mundorf, Ye, Lei, & Shimoda, 2015), and people were not expected to openly display their wealth and knowledge. However, with globalization, the increasingly dynamic Chinese labour market and the emerging market economy, the traditional view on confidence has been undermined. Employers in China now appreciate candidates with confidence, which can be regarded as showing initiative and being proactive and displaying their potential.

In short, Inner-value capital was perceived as only a minor added-value gained from MBA training. Although Inner-value capital contains self-awareness, self-

esteem, self-efficacy and confidence, only confidence was reported as the factor that was enhanced by doing an MBA.

4.3.5. Market-value Capital of MBA

Table 10. Perceived Market-value Capital of MBA



Market-value capital is manifested in the improved remuneration of MBA graduates (Baruch et al., 2005). As Table 10 indicates, most of the respondents from MNCs (62.5%) felt that MBA degree didn't help improving remuneration, whereas, in contrast, most of the respondents from Local organisations (75%) claimed that it did. However, similar to Culture capital, most of the participants also reported a decline of Market-value in the past five to ten years. Manager H from MNC, who indicated a lot of experience in compensation and benefits in China, stated:

"I think this is a timing question. Back 5 to 10 years ago, if you have a MBA degree from elite business schools, it would give you a plus on remuneration; in the past five years, it has been less notable. MBA doesn't mean better remuneration anymore."

-Manager H (from MNC)

Many of respondents from MNCs highlighted that they would not give preferential treatment to MBA holders in their recruitment process and compensation consideration. As Manager E indicates:

“In our company, we don’t consider MBA as a plus when we determine an employee’s salary band.”

-Manager E (MNC)

Although most of the HR managers from MNCs claimed that MBA degree was not a consideration for remuneration, HR managers from Local firms seemed to be more impressed by the MBA qualification within their recruiting considerations. Manager O explained that high market value came from high confidence, which links to the issue about inner-value of the MBA discussed earlier:

“I know many people, who studied MBA after 10 years working experience, then their expectation of remuneration became much higher than before. I think this is a proof of confidence.”

-Manager O (Local)

Summary of Findings for Research Question 3 & 4

Research Questions 3 & 4 sought to investigate whether HR managers perceived that MBA education improves individuals’ human capital values in the five dimensions of the human capital model (Baruch, 2009), and if so, which dimension/s were most impacted. Findings indicated perceptions of improvement in all five human capital dimensions. However, scholastic capital and social capital were perceived as the two human capital values that increased the most. The increase in value of scholastic and social capital is considered to reflect the influence of Confucian values on Talent development: namely the importance of education and *Guanxi* (Chen & Doherty, 2013; Cooke et al., 2014; Daily, 2015; Joshua, 2015). Findings also suggested a decline in culture capital and Market-value capital in the past 5-10 years, and HR managers indicated that MBA as a ‘social status ladder’ or a ‘remuneration booster’ had been overused. Consequently, and HR managers adopted a more pragmatic approach in the recruiting and offering process, where candidates’ previous business result and job performance is more important than their moral and education

levels. In addition, compared with their MNC counterparts, Local HR managers perceived higher human capital value from MBA training.

4.4. Research Question 5

Q: Are the perceptions of HR managers influenced by Chinese culture characteristics and/or institutional culture characteristics?

Many studies in the TD literature suggest that perceptual processes are influenced by culture (Nisbett & Miyamoto, 2005). There are two forms of culture that may influence HR managers' perceptions of TD and human capital values from MBA program. First, national culture can be considered an influence reflecting traditional Chinese philosophies (Confucianism, Taoism and Legalism) and social values. Second, institutional culture can be seen as an influence based on differences in company culture, company mission/vision/value, and company policy.

4.4.1 National Culture Influence

Most of participants explicitly responded "No" when they were questioned whether their perception was influenced by their national culture. However, in analysis of the discourse within their interviews, they showed strong national culture ties with traditional Chinese culture and Chinese social values. Manager F from MNC is a typical example for this issue. At first she denied any influence of national culture on her perceptions, however, when she was asked to explain her cultural background and life experience, she indicated strong influences from her Chinese culture:

"...My father was in his 50s when I was born, therefore, he was a very old and traditional person and I received a very traditional family education: real and craftsman spirit. I was raised in Shanghai (speaking in Shanghainese), so I am influenced by Shanghainese culture..." *-Manager F (MNC)*

Such examples of contradictions appeared in the responses of national culture influence in HR managers from both MNC and Local firms.

Interestingly, many respondents both from MNCs and Locals did claim that Western culture was influential on their views, which reinforces research that HR managers, especially those at MNCs in China have a high level of assimilation and internalization of many Western HRM values (Li & Nesbit, 2013). As Manager F stated:

“Because I was born in a Christian family and I have been worked in MNCs since 1995...My first job orientation was conducted by a foreign company in HK which influenced my working habit a lot...” -Manager F (MNC)

Given the explicit negative response regarding the influence of national culture the researcher refocused the interview to ask whether Chinese culture might influence how Talent within the organisation think about the MBA?” In their answers many of the HR managers tended to highlight the importance and influence of Confucian values, such as high respect for scholarship and learning, and also for *Guanxi*. Below are some examples of comments by HR managers that reflect the influence of Chinese culture:

“Because in Chinese culture we believe that “To be a scholar is to be the top of society; and Learning is the noblest of human pursuits.” People would naturally believe that those who received higher education are more valuable.”
-Manager A (MNC)

“China is such a big market and in Chinese culture we like ‘plaque’¹¹, (big title), MBA has its market here.” -Manager F (MNC)

¹¹ Plaque in ancient China is normally for high officials and noble lords who usually has scholastic title

"You know the Chinese culture is actually the culture of social network."

–Manager J (Local)

The statements from Manager A and F reflected a typical perspective related to the Confucian value of "respect education and scholars", while Manager J's quote reflects the Confucian view of the importance of *Guanxi*. Both of these values are two important components in the Chinese national culture. It is interesting that while the HR managers did not think they were impacted by national culture, they did perceive that other managers and employees within their firms were impacted by Chinese culture.

To gain a deeper understanding of the cultural impact on Chinese HR managers' perception, three Western non-Chinese managers, who possessed cross-culture experience working with Chinese colleagues, were interviewed about their insights into the role of culture on Chinese managers. These managers were recruited through the researcher's professional and research network. One of these managers, Manager S, male, 35 years old, from Brisbane Australian, was currently located in Shanghai China and had been working for a local Chinese company in Shanghai for more than 7 years. The other two managers, Manager W (female, 45 years old, from Sydney Australia) and Manager Y (male, 30 years old, from Brisbane Australia), were both located in Sydney Australia and both had experience of working with Chinese colleagues in their organisations.

Manager S reported that in his experience Chinese managers were strongly influenced by their national culture though sometimes they did not realize it. He shared his observation of MBA training in China:

"Social clubbing is the most important part of MBA study, rather than knowledge acquisition....some of them even asked their assistants to do their assignments... They spend much time on socializing..."

He also volunteered comments on the managerial skills of Chinese managers:

“From a Western perspective, Chinese managers are technically not strong. They don’t understand commerce much, not everyone has commerce or management degree, but they do operation well and they have good interpersonal relationship and government relationship”.

Manager W and Y had similar comments on the impact of national cultural on their Chinese colleagues. They highlighted that although Western culture has a significant impact on the business management philosophies of many Chinese organisations (especially Chinese subsidiaries), national culture still shapes the feature on daily practices. Manager W stated that:

“I guess they (Chinese managers) have different leadership style... sometimes they take things (business) personally. They deny the influence from their Chinese culture background and they actually don’t talk about their culture much...Chinese culture is secretive...”

The input from these non-Chinese managers, strengthens the view from the interviews that these HR managers may be influenced by their national culture even though deny or downplay it role. Two reasons may explain why these HR managers might not recognise the influence of Chinese national culture on their perceptions. First, many managers are exposed to Western management values within their daily work processes and operations, especially within subsidiaries of MNCs and so would have an appreciation of these values within management (Li & Nesbit, 2013). Second, many Chinese managers consider Western management practices and values as a sign of professionalism and so may have underplayed the importance of national culture in order to be seen as more professional in the working place (Preece, Iles, & Chuai, 2011).

Based on the discourse within the interviews it is suggested that that the HR managers' perception on human capital value gained from MBA is likely influenced by Chinese culture, particularly in terms of Confucian values of "respect for education and scholars" and "the importance of *Guanxi*".

4.4.2. Institutional Culture Influence

In addition to the role of national culture on the perceptions of the HR manager respondents in this study, the influence of institutional culture on their perceptions was also explored. In contrast to the strong denial of the role of national culture on their perceptions, the HR managers clearly accepted that there was influence from their organisational contexts on their views. Thirteen of the 16 participants claimed that their perception on human capital values from MBA was strongly influenced by their current company's organisational culture. Especially in the MNC category, all the 8 respondents highlighted the influence of their Western MNC culture. As Manager A and Manager F indicated:

"Organisational culture also can be very influential...the key is the management's recognition of the MBA. If the boss has an MBA background, of course, he/she would recognize and support MBA." –Manager A (MNC)

"I think I am influenced more by organisational culture rather than social culture. You know the organisational value can be influential...MBA is recognized and respected in this organisational culture." –Manager F (MNC)

This finding echoed previous research on how institutional culture influence HR managers' value in Chinese MNCs, which suggested that HR managers at MNCs in China have a high level of assimilation and internalization of many Western HRM values while retaining many traditional Chinese values (Li & Nesbit, 2013).

In Local organisations, selected Confucian values, such as “a spirit of unity” (collectivism) and “respect for hierarchy” were identified as fundamental features of institutional cultures, which have impact on TD practices and the perceptions on MBA. Manager L’s statement reflects a sense of collective approach in his organizations.

“...we all share the same view on MBA...I think I have been assimilated by the organisational culture and I am just an equal member of the big family”

-Manager L (Local)

This sense of collectivism is also found in the conversation with other Local participants. Meanwhile, “Respect for hierarchy” was also highlighted as a feature of institutional culture of Locals. Manager O and Manager J addressed:

“Actually, I proposed the MBA sponsoring program to our boss, however, he denied it...it seems that our boss and management team don’t put developing Talent on priority list.”

-Manager O (Local)

“...the key is the boss’s recognition of the MBA. If the boss has an MBA background, of course, he/she would recognize and support MBA.”

-Manager J (Local)

In short, institutional culture also has significant influence towards TD practice and TD practitioners. While the institutional culture of MNCs has been influenced by Western managerial values, the selected Confucian values were identified as fundamental features of organisational cultures in Locals.

Summary of Findings for Research Question 5

The findings revealed that both national culture and institutional culture has an impact on HR managers’ perception of TD and MBA. The respondents indicated that Confucian value of “respect education and scholar” and “importance of Guanxi”,

as the two major cultural influencers, played an important role on TD practice in China including perceived value of MBA education. However, the national culture influence in many cases was overlooked or ignored since managers considered Western culture as modern and Western management practices as professional in China. The respondents also illustrated that TD practices and HR managers' perception can be impacted by institutional culture. In MNCs, where institutional culture is influenced by Western managerial values and in Locals, on the other hand, institutional culture has strong features from selected Confucian values, such as "a spirit of unity" and "respect for hierarchy".

4.5. Conclusion of Findings

The findings are in response to HR managers' perceptions of TD and perceived value of MBA in China. The five research questions used to explore the topic included:

- 1. How is 'Talent' defined and identified?*
- 2. What is the perceived as the most effective TD practice to develop Talent?*
- 3. What is the perceived overall value gained from doing an MBA (as a TD practice)?*
- 4. What is the specific value gained from doing an MBA as measured by five distinct types of value represented by the Human Capital Model (Baruch, 2009) and which of these five values is most developed by completing an MBA program?*
- 5. Are the perceptions of HR managers about TD and the value of the MBA program influenced by Chinese culture characteristics and/or institutional culture characteristics?*

The findings for Research Question 1 revealed two key themes for HR managers' perception on TD: Talent definition, Talent criteria and Talent scope. Respondents indicated that there was no clear and unitary definition of Talent in these organisations in China. However, in identifying Talent, in terms of criteria and population, respondents from both MNCs and Locals tended to adopt an exclusive-developable (subjective) perspective. They focused on the top 15% (average) employees who were the best performing and considered to have the highest potential. Criteria of high potential put forward by the Local representatives for Talent mostly focused on measurements carrying strong features of organisational culture, i.e. "fighter spirit" or "Chongjin". By contrast, the MNC respondents stressed the importance of psychological assessment with quantitative measurements.

The findings for Research Question 2 related to TD practices used in the organisations of these managers and their perceived effectiveness. A large number of TD practices were reported by the participants, which ranged from sponsored education program, in-house training, on-the-job training, internal training, mentoring, leadership development program, performance management program and exposure opportunities. In particular, on-the-job training appeared to be the most widely adopted TD practices in both MNCs and Locals, and it was also ranked as the most effective method to develop Talent by the HR managers. Findings also revealed that MBA sponsoring program has become less popular than it used to be in China. In general, most of the participants shared a positive view on MBA's continuous value in the future.

Findings of Research Questions 3&4 explored HR managers' perception of value gained from MBA training and indicated that all five human capital dimensions increased by completing an MBA. Scholastic capital and social capital was perceived

as the highest two human capital values gained from MBA programs in China. Findings also suggested a decline in Culture capital and Market-value capital in the past 5-10 years. In general, compared with MNC counterparts, Local HR managers perceived higher human capital value from MBA training and Local organisations seemed influenced more by the national culture.

The findings of Research Question 5 revealed that both national culture and institutional culture has an impact on HR managers' perception of TD and the value gained from MBA training. The respondents indicated that Confucian value of "respect education and scholar" and "importance of *Guanxi*", as the two major cultural influencers, played an important role on TD practice in China including MBA education. However, the national culture influence in many cases was overlooked or ignored since managers considered Western culture as modern and Western management practices as professional in China. The respondents also considered that TD strategies and TD practices was impacted by institutional culture. In specific, the Western managerial values have significant influence on the institutional culture of MNCs, and in Locals, on the other hand, institutional culture has strong features from selected Confucian values in term of "a spirit of unity" and "respect for hierarchy".

Chapter 5. Discussion and Implications

The primary purpose of this research, was to investigate Talent Development practices generally and the value of the MBA as a TD practice specifically, in Chinese firms. Analysis of 16 semi-structured interviews with HR managers resulted in a number of findings about perceptions of TD practice and the value gained from MBA education within today's business environment in China. These perceptions were identified through qualitative analysis of the responses that participants gave in interview as it related to the following research questions:

- 1. How is 'Talent' defined and identified?*
- 2. What is the perceived as the most effective TD practice to develop Talent?*
- 3. What is the perceived overall value gained from doing an MBA (as a TD practice)?*
- 4. What is the specific value gained from doing an MBA as measured by five distinct types of value represented by the Human Capital Model (Baruch, 2009) and which of these five values is most developed by completing an MBA program?*
- 5. Are the perceptions of HR managers about TD and the value of the MBA program influenced by Chinese culture characteristics and/or institutional culture characteristics?*

These findings are discussed in this chapter to discern the implications for HR practitioners and business leaders within an Asian business context, and the implications for MBA programs currently being provided in China.

5.1. Talent Development

The HR literature presents a variety of definitions and perspectives of Talent (Garavan et al., 2012; Lewis & Heckman, 2006; Mehdiabadi & Li, 2016; Tansley, 2011a). The findings of this research revealed a similar lack of clarity about the definition of Talent in the Chinese context. However, most of the Talent definitions referred to by participants were “process-oriented” definitions. In other words, in reflecting on Talent HR managers did not have a specific definition in mind but tended to discuss criteria they used to assess who is considered Talent.

Differences between HR managers’ perceptions, working in MNCs and Locals, were also evident in the way Talent was discussed. A higher proportion of the HR managers in Local firms stressed the importance of culture fit by Talent and defined a broader set of criteria for assessing Talent that related to features of organisational culture. In contrast, the MNC respondents focused on psychological assessments to identify Talent. This difference in discussing Talent, reflects the argument in the literature, that organisationally specific definitions of Talent are highly influenced by the type of industry or occupational field (Gallardo-Gallardo et al., 2013; Tansley, 2011a). In Locals where the unique institutional culture is considered as a resource of competitive advantage (Tsui, Wang, & Xin, 2015; Wang & Clegg, 2007), the use of cultural features in identifying Talent helps to reinforce organisational culture. In the MNCs, the use of psychological tests to assess Talent reflects the tendency among larger global organisation for more formal approaches to their HRM strategy and practices (Iles et al., 2010; Wang-Cowham, 2011).

What was in common, as reported by the respondents across Locals and MNCs, is that, all adopted a similar philosophical approach/perspective towards TD. HR managers tended to take an exclusive-developable approach to TD, whereby they

associated Talent with a small percentage of their employees (around 15%) and sought to enhance their potential for leadership by providing them relevant development opportunities to prepare for future critical positions. Thus the adoption of TD was linked to HR strategy reflecting a need to respond to the pressure of Talent shortage and high turn-over rates in China (Hartmann, Feisel, & Schober, 2010; Liu & Pearson, 2014). This finding of the dominance of the “Developable-Exclusive” perspective among the HR managers interviewed is consistent with the Western literature on TD (Gallardo-Gallardo et al., 2013; Tansley, 2011a). While it may not be surprising to find HR managers within MNCs incorporating this Western perspective, it is noteworthy that HR managers from Local firms also embraced this perspective. Given that this “exclusiveness” perspective on Talent seems to run counter to Chinese collectivist values, the finding supports an increasing number of studies that finds Western business values being assimilated into Chinese business culture (Cai, Morris, & Chen, 2011; Fu & Kamenou, 2011; Li & Nesbit, 2013).

5.2. Most Effective Talent Development Practice

As discussed in the literature review, TD has become a popular topic in contemporary HRM (Cai et al., 2009; Hartmann et al., 2010). In this study, a large number of TD practices had been implemented by the participants’ organisations. Job-based developmental programs appeared to be the most widely used TD practice and were also considered the most effective method, both in terms of value for money and performance-based results. This finding is consistent with Western HR literature showing a growing attention to action learning strategies and self-development approaches to TD (London & Smither, 1999; Nesbit, 2012; Orvis & Leffler, 2011).

HR managers’ discussion highlighted two challenges in implementing MBA sponsoring program. The first relates to concerns about cost and the second concerns

retaining employees with an MBA who are now more marketable. This second problem was referred to by many HR managers as the “two-edge sword” issue.

Compared with MNCs, Locals were more cost-sensitive in relation to TD practices, and tended to have lower training budgets. The reasons why training budget in Locals is comparably tight can be: 1) they tend to be relatively young and small, thus the cost of leadership development programs (such as an MBA) would represent a high investment, and 2) the dynamic Chinese labour market and the variety of work opportunities have caused high turnover rate in China, thus, highly skilled employees have considerable opportunity within the labour market and training by Locals only increases the likelihood they will seek better salary in other companies.

The use of sponsoring the MBA within TD is a “two-edge sword” issue for many organisations. On the one hand, MBA should deter turnover because it prepare Talent for career advancement within the organisation; while, on the other hand, MBA may encourage turnover since it improve the Talent’s overall employability (Baruch & Leeming, 2001). As a result of these two opposing processes, in practice, MBA sponsoring program was typically associated with contracts to remain with the firm for a number of years.

The challenges discussed by participants in implementing MBA sponsoring program implies that the onus of TD is increasingly shifting from employer to the individual to plan and implement development activities. Many researchers have highlighted this trend of shifting away from organisation-directed formal education to greater responsibility by employees for their development (Nesbit, 2012). As noted by Ibeh and Debrah (2011), the shift from organisation-directed to self-directed career development might redefine the role of formal education and educational institutions outside the organisations such as business schools.

5.3. Perceived Value of MBA

The discussion for RQ 3&4 related the perceived value from MBA training in terms of the five dimensions of the human capital model: scholastic capital, social capital, cultural capital, inner-value capital and market-value capital. Findings indicated that HR managers perceived that all human capital dimensions were improved by completing an MBA course. Overall, however, scholastic capital and social capital were perceived as being the most significantly increased of the five values in the model. Also noted was a perception of decline in value of cultural capital and market-value capital. A major difference noted between HR managers in the two types of firms was that Local HR managers perceived higher human capital value from MBA training than MNC HR managers.

The high perceived value of scholastic capital indicated that HR managers regarded MBA as an important source of management knowledge for Chinese managers. Furthermore, HR managers perceived that the MBA will continue to be in an important way to help Talent develop their managerial skills and leadership knowledge. The high rate of social capital value revealed the relatively higher role of MBA education as a socializing platform within the eyes of the Chinese managers. This finding may be related to the Confucian values of ‘respect for education and scholar’ and ‘*Guanxi*’ (personal relationship) , both which have been cultural characteristics of Chinese society (Chen & Doherty, 2013; Chen et al., 2012b; Wong & Slater, 2002b).

However, the decline in the cultural capital and market-value capital associated with MBA education may reflect underlying changes in values within China. This finding highlights the dynamic nature of the Chinese labour market where the emerging market economy may offset traditional cultural behaviours. This change

has been stated as a shift in values from Confucianism to “Neo-Confucianism” (Hartmann et al., 2010; Wong & Slater, 2002b). In a modern neo-Confucian value system, Chinese people are seen to compete directly in order to achieve personal wealth and status and apparently undermines traditional Confucian values, such as “highly respect education and scholar”. Indeed, it has been suggested that the Chinese will become even more materialistic and consumption oriented than their Western counterparts (Zhang, Lamond, Dolan, & Zhou, 2009). Therefore, the perception of declining value for the MBA might be a sign of the changing Chinese business environment, where practicing managers are tending to be more pragmatic and result oriented and less impressed by symbols of scholarship and learning.

5.4. Cultural Influence

The findings of RQ 5 suggested that both national culture and institutional culture has influence on HR manager’s perception of TD and the value gained from the MBA. Rooted in Confucianism, the Chinese national culture, in terms of, “respect of education and scholars”, “importance of *Guanxi*” impact people’s behaviour and perception, and therefore, influence the extent of the adoption of TD practices in organisations. This continued influence of Chinese values on HR managers in the sample is in some respect contrary to the finding of declining value of the MBA as discussed in section 5.3, where the decline in value of the MBA was associated with declining influence of traditional values. As noted by Li and Nesbit (2014) in their study of changing HRM values of managers working in MNCs many managers embrace “Western values selectively and is likely to reflect the pressures for best practice in HRM as well as the influence of cultural traditions” (p.13). They also noted that managers could hold contradictory value sets as managers “held simultaneously the traditional collectivist characteristics of group orientation and also

the Western value of individualism” (p.13). So too in this study we noted contradictions in Chinese managers, in that results suggested both a decline in some traditional Chinese values when discussing the realities of contemporary business practices yet also strong influence of some traditional values, such as respect for authority and seniority.

The findings of national culture impacting HR managers’ perception of the value of the MBA program were congruent with findings in the literature presented in Chapter 2, namely, that traditional culture shapes the minds and beliefs of contemporary leaders in China (Cai et al., 2009; Wong & Slater, 2002a). Although Western culture has a significant impact on the business management philosophies of the managers within Chinese organisations, most practices of TD were still influenced by national culture. However, since Western management concepts are well accepted amongst Chinese HR managers, especially those from MNCs, who have a high level of exposure to assimilation of many Western management values (Li & Nesbit, 2013), the impact of national culture influence in many cases was downplayed or ignored by the HRM managers.

Institutional culture also has significant influence towards TD practice and TD practitioners. With the emerging economic development, fast institutional change and the growing human capital heterogeneity in the labour market (Zhou et al., 2012), organisations focus significantly on creating an organisational culture that emphasises building loyalty and commitment between employees and the organisation (Hartmann et al., 2010). In Local organisations, selected Confucian values, such as “a spirit of unity” (collectivism) and “respect for hierarchy” were fundamental features of institutional cultures (Tsui et al., 2015). Institutional culture in Locals is highly integrated (Tsui et al., 2015; Wang & Clegg, 2007), achieved by culture embedding

and culture reinforcement in every step of HR activities. Thus, in turn, TD in Locals can be seen as another approach by management to enhance organisational culture. The significance of institutional culture in Local firms implied that local organisations are strongly focusing on integrating and attaching their employees to the organisational culture to strengthen their loyalty and commitment. Whilst organisations are faced with significant Talent shortage and high turnover rate in China, leveraging organisational culture to retain qualified employees within the organisation can be a notable strategy.

Implications

The current study contributes to the existing knowledge in the field of TD and has a number of practical implications for HR Practitioners and MBA Business Schools in China.

Theoretical implications

This study advances knowledge in the field of TD in China. For example, the study revealed that the HR managers all adopted an “exclusive-developable” perspective of Talent, typically used in Western HRM (Garavan et al., 2012; Mehdiabadi & Li, 2016). To this extent, it can be concluded that Western culture is making a significant impact on the HR management philosophies of these Chinese organisations. However, the various criteria used to identify and define Talent in each of the sample organisations also indicated both national cultural and institutional cultural influences. This finding suggests that values and practices associated with TD in China embraces Western values and practices selectively and is likely to reflect both the pressures of international best practice as well as influences from the cultural and institutional context.

Implications for HR Practitioners

Given the high demand for Talent among Chinese firms, the finding that all 16 firms adopted an exclusive-developable approach to TD suggests that some rethinking about the sustainability of this perspective of TD may be required. While, the focus on a small group of employees as organisational Talent is understandable, the reality is that not all firms can attract and keep Talent. Therefore, a question that needs to be considered by HR practitioners is whether the exclusive-developable approach is the most TD approach suitable for their organisations. Some firms may be better to broaden their perspective of Talent and increase the opportunities for development for a larger number of employees, thus opening up more avenues for acquiring the necessary Talent needed in the future. According to Sparrow et al. (2011) and Stahl et al. (2012), although an exclusive approach to TD may be the most preferred, organisations can and should use both the inclusive and exclusive approach. There is considerable debate concerning the merits and demerits of each Talent approach to TD, HR practitioners need to consider the best suitable one rather than the popular one for their organisations.

Implications for Business Schools

The findings of this study identified a number of insights of representatives of employers about MBA education in China and these can have practical implications for Business Schools in China. The good news for Business Schools is that Western management concepts are well accepted amongst Chinese managers and the MBA is still perceived as an important practice to help employees develop their managerial skills and leadership knowledge. HR managers perceived the most significant benefit from doing a MBA arises from its impact on scholastic capital and social capital.

Although MBA is still an important resource of managerial skills and leadership knowledge for Chinese executives, Business Schools need to recognise that the high status of the MBA among HR managers appears to be declining. This change may reflect changes to the underlying values of managers, from Confucian respect for learning and scholarship to Neo-Confucian values with greater focus on business outcomes. Also given the perception of a more fluid employment market and greater demand for Talent, many HR managers do not see as strong an organisational benefit to sponsoring MBA study. For business schools this implies MBA students sponsored by organisations may decline and suggests that Business Schools need to proactively consider how to strategically deal with these changing perceptions about the MBA. Examining how the value of the MBA is perceived by HR managers may suggest the nature of marketing and curriculum changes that might be required. For example, highlighting and reinforcing the scholastic capital and social capital values obtained from doing an MBA might be considered.

Meanwhile, MBA schools in China should help and encourage students to mix with a wide range of individuals to acquire networking opportunities (social capital) because social networking is crucial to the way that make business success in China. This might be done by arranging more site visits to Alumni's business organisation and providing platform via social communication channels, such as WeChat and QQ.

Implications for Future Research

This study of the TD practices and perceived value of the MBA training from Chinese HR managers' perspective suggests three directions for future research in the Asian context. First, given that this research offers a window into the TD practice in China based only on a small sample size, additional larger sample studies are required to extend and generalize the findings. Second, the study focused on HR managers, but

other stakeholders might have different perceptions. Thus collecting insights from different stakeholders, such as employees, line managers, and Business School Deans, might be considered to broaden and compare perceptions of TD and the value of the MBA. Third, the use of mixed methods design might improve the understanding of TD. As Mehdiabadi and Li (2016) suggested “considering the lack of sufficient empirical studies on TD, more data based and context-sensitive research using both quantitative and qualitative approaches are needed”. Finally, given the high value associated with on-the-job TD practices, further exploration of the way in which on-the-job TD practices, both formal and informal, can be enhanced and supported by organisations could be undertaken.

References:

- Balkundi, P., & Kilduff, M. (2005). The ties that lead: A social network approach to leadership. *The Leadership Quarterly*, 16(6), 941-961.
- Bambacas, M., & Kulik, T. C. (2013). Job embeddedness in China: how HR practices impact turnover intentions. *The International Journal of Human Resource Management*, 24(10), 1933-1952.
- Baruch, Y. (2009). To MBA or not to MBA. *Career Development International*, 14(4), 388-406.
- Baruch, Y., Bell, M. P., & Gray, D. (2005). Generalist and specialist graduate business degrees: Tangible and intangible value. *Journal of Vocational Behavior*, 67(1), 51-68.
- Baruch, Y., & Leeming, A. (2001). The added value of MBA studies – graduates' perceptions. *Personnel Review*, 30(5), 589-602.
- Barzegar, N., & Farjad, S. (2011). A Study on the Impact of on the Job Training Courses on the Staff Performance (a Case Study). *Procedia - Social and Behavioral Sciences*, 29, 1942-1949.
- Becker, G. S. (1993). *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education*. Chicago and London: The University of Chicago Press.
- Bennis, W., & O'Toole, J. (2005). How Business Schools Lost Their Way. *Harvard Business Review*, 2005(May).
- Cai, W., Klyushina, U., & Timlon, J. (2009). Talent retention and development within multinational company in China. Retrieved from
- Cai, Z., Morris, J. L., & Chen, J. (2011). Explaining the human resource management preferences of employees: a study of Chinese workers. *The International Journal of Human Resource Management*, 22(16), 3245-3269.
- Chambers, E. G., Foulon, M., Handfield-Jones, H., Hankin, S. M., & Michaels, E. G. (1998). The war for talents. *McKinsey Quarterly*(3), 44-57.
- Chen, A., & Doherty, N. (2013). The perceptions of an EMBA experience in China: an exploratory study. *Journal of Management Development*, 32(7), 780-795.
- Chen, A., Doherty, N., & Vinnicombe, S. (2012a). Developing women's career competencies through an EMBA. *Gender in Management: An International Journal*, 27(4), 232-248.
- Chen, A., Doherty, N., & Vinnicombe, S. (2012b). The perceived value of networking through an EMBA: a study of Taiwanese women. *Career Development International*, 17(7), 646-662.
- Chen, X., & Yang, B. (2010). Copying from others or developing locally? *Journal of Chinese Human Resources Management*, 1(2), 128-145.
- Child, J., & Möllering, G. (2003). Contextual confidence and active trust development in the Chinese business environment. *Organization Science*, 14(1), 69-80.
- CNMESC. (2012). Minutes of the Annual Conferences (in Chinese). from China National MBA Education Supervisory Committee
- Collings, D. G., & Mellahi, K. (2009). Strategic talent management: A review and research agenda. *Human Resource Management Review*, 19(4), 304-313.
- Collings, D. G., Scullion, H., & Vaiman, V. (2015). Talent management: Progress and prospects. *Human Resource Management Review*, 25(3), 233-235.

- Cooke, F. L., Saini, D. S., & Wang, J. (2014). Talent management in China and India: A comparison of management perceptions and human resource practices. *Journal of World Business*, 49(2), 225-235.
- Crotty, P. T., & Soule, A. J. (1997). Executive education: yesterday and today, with a look at tomorrow. *Journal of Management Development*, 16(1), 4-21.
- Daily, G. (2015, Apr 16 2015). What happened on MBA in China after keeping hot for many years. *Guangming Daily*, p. 15.
- Derue, D. S., & Wellman, N. (2009). Developing leaders via experience: the role of developmental challenge, learning orientation, and feedback availability. *J Appl Psychol*, 94(4), 859-875.
- Donate, M. J., Peña, I., & Sánchez de Pablo, J. D. (2015). HRM practices for human and social capital development: effects on innovation capabilities. *The International Journal of Human Resource Management*, 27(9), 928-953.
- Dries, N. (2013). The psychology of talent management: A review and research agenda. *Human Resource Management Review*, 23(4), 272-285.
- Fu, Y., & Kamenou, N. (2011). The impact of Chinese cultural values on human resource policies and practices within transnational corporations in China. *The International Journal of Human Resource Management*, 22(16), 3270-3289.
- Gallardo-Gallardo, E., Dries, N., & González-Cruz, T. F. (2013). What is the meaning of 'talent' in the world of work? *Human Resource Management Review*, 23(4), 290-300.
- Garavan, T. N., Carbery, R., & Rock, A. (2012). Mapping talent development: definition, scope and architecture. *European Journal of Training and Development*, 36(1), 5-24.
- Ginzberg, E. (1971). *Manpower for development: perspectives on five continents*. New York: Praeger.
- Gupta, A., & Bennett, S. E. (2014). An empirical analysis of the effect of MBA programs on organizational success. *International Journal of Educational Management*, 28(4), 451-460.
- Hana, U., & Lucie, V. (2015). Investigating Talent Management Philosophies. *Journal of Competitiveness*, 7(3), 3-18.
- Hartmann, E., Feisel, E., & Schober, H. (2010). Talent management of western MNCs in China: Balancing global integration and local responsiveness. *Journal of World Business*, 45(2), 169-178.
- Hua, Z., Harris, A., & Ollin, R. (2011). Student autonomy and awareness: vocational education and student - centred learning in China. *Journal of Vocational Education & Training*, 63(2), 191-203.
- Huang, W.-R., & Jao, Y.-J. (2015). Comparison of the influences of structured on-the-job training and classroom training approaches on trainees' motivation to learn. *Human Resource Development International*, 19(2), 116-134.
- Iles, P., Chuai, X., & Preece, D. (2010). Talent Management and HRM in Multinational companies in Beijing: Definitions, differences and drivers. *Journal of World Business*, 45(2), 179-189.
- Jackson, S., Farndale, E., & Kakabadse, A. (2003). Executive development: meeting the needs of top teams and boards. *Journal of Management Development*, 22(3), 185-265.
- Joshua, J. (2015). *The contribution of human capital towards economic growth in China*: Palgrave Macmillan.

- Kramar, R., Bartham, T., & Cieri, H. D. (2014). *Human resource management: strategy, people, performance* (5th ed.). Australia: McGraw-Hill Education (Australia) Pty Ltd.
- Latukha, M. (2015). Talent mangement in Russian companies: dimestic challenges and international experience. *The International Journal of Human Resource Management*, 26(8), 1051-1075.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human Resource Management Review*, 16(2), 139-154.
- Li, S., & Nesbit, P. L. (2013). An exploration of the HRM values of Chinese managers working in Western multinational enterprises in China: implications for HR practice. *The International Journal of Human Resource Management*, 25(11), 1529-1546.
- Lin, L.-H., Ho, Y.-L., & Lin, W.-H. E. (2013). Confucian and Taoist Work Values: An Exploratory Study of the Chinese Tranisformational Leadership Behavior. *Journal of Business Ethics*, 113(1), 91-103.
- Liu, Y., & Pearson, C. A. L. (2014). The importance of talent management: a study of Chinese organisations. *Journal of Chinese Economic and Foreitn Trade Studies*, 7(3), 153-172.
- Lombardozi, C., & Casey, A. (2008). The impact of developmental relationships on the learning of practice competence for new graduates. *Journal of Workplace Learning*, 20(5), 297-315.
- London, M., & Smither, J. W. (1999). Empowered self-development and continuous learning. *Human Resource Management*, 38(1), 3-15.
- Lu, W., Mundorf, N., Ye, Y., Lei, W., & Shimoda, K. (2015). The impact of class discussions on attitudes of Chinese students in the US towards culture and sustainability. *China Media Research*, 11(4), 110-118.
- Ma, L., & Tsui, A. S. (2015). Traditional Chinese philosophies and contemporary leadership. *The Leadership Quarterly*, 26(1), 13-24.
- Mangum, S. L., & Wruck, K. H. (2011). Rethinking the MBA: Business Education at a Crossroads. *The Journal of Higher Education*, 82(5), 661-664.
- Marsick, V. J., & Watkins, K. E. (2001). Informal and Incidental Learning. *New Directions for Adult and Continuing Education*, 2001(89), 25-34.
- Megers, M. C., & Woerkom, M. v. (2014). The influence of underlying philosophies on talent management: Theory, implocations for practice, and research agenda. *Journal of World Business*, 49(2), 192-203.
- Mehdiabadi, A. H., & Li, J. (2016). Understanding Talent Development and Implications for Human Resource Development: An Integrative Literature Review. *Human Resource Development Review*.
- Mihail, D. M., & Antigoni Elefterie, K. (2006). Perceived effects of an MBA degree on employability and career advancement. *Career Development International*, 11(4), 352-361.
- Monkhouse, L. L., Barnes, B. R., & Hanh Pham, T. S. (2013). Measuring Confucian values among East Asian consumers: a four country study. *Asia Pacific Business Review*, 19(3), 320-336.
- Nesbit, P. L. (2012). The Role of Self-Reflection, Emotional Management of Feedback, and Self-Regulation Processes in Self-Directed Leadership Development. *Human Resource Development Review*, 11(2), 203-226.
- Nisbett, R. E., & Miyamoto, Y. (2005). The influence of culture: holistic versus analytic perception. *Trends Cogn Sci*, 9(10), 467-473.

- Orvis, K. A., & Leffler, G. P. (2011). Individual and contextual factors: An interactionist approach to understanding employee self-development. *Personality and Individual Differences*, 51(2), 172-177.
- Özbilgin, M. F., Groutsis, D., & Harvey, W. S. (2014). *International Human Resource Management*. New York: Cambridge University Press.
- Palmas, K. (2013). Rethinking the MBA- a turn to the field within business education. *Journal of Business Anthropology*, 1-4.
- Pei, L. (2016). Promote employees' proactive with "Wolf culture"? *Labour Daily*.
- Phillips, J. J. (2005). *Investing in your company's human capital: strategies of avoid spending too little -- or too much*. New York: AMACOM.
- Ping, C. K. (2015). Chengdu ranked top Chinese city for economic showing. *The Straits Times*.
- Preece, D., Iles, P., & Chuai, X. (2011). Talent management and management fashion in Chinese enterprises: exploring case studies in Beijing. *The International Journal of Human Resource Management*, 22(16), 3413-3428.
- Sabadie, J. A., & Johansen, J. (2010). How Do National Economic Competitiveness Indices View Human Capital? *European Journal of Education*, 45(2), 236-258.
- Schultz, T. W. (1961). Investment in Human Capital. *The American Economic Review*, 51(1), 1-17.
- Shi, Y., & Handfield, R. (2012). Talent management issues for multinational logistics companies in China: observations from the field. *International Journal of Logistics Research and Applications*, 15(3), 163-179.
- Simpson, R. (2000). A voyage of discovery or a fast track to success: men, women and the MBA. *Journal of Management Development*, 19(9), 764-782.
- Tansley, C. (2011a). What do we mean by the term "talent" in talent management? *Industrial and Commercial Training*, 43(5), 266-274.
- Tansley, C. (2011b). What do we mean by the term "talent" in talent management? *Industrial and Commercial Training*, 43(5), 266-274.
- Tarique, I., & Schuler, R. S. (2010). Global talent management: Literature review, integrative framework, and suggestions for further research. *Journal of World Business*, 45(2), 122-133.
- Tay, A. (2001). Management's perception of MBA graduates in Malaysia. *Journal of Management Development*, 20(3), 258-274.
- Thunnissen, M., Boselie, P., & Fruytier, B. (2013). A review of talent management: 'infancy or adolescence?'. *The International Journal of Human Resource Management*, 24(9), 1744-1761.
- Tsui, A. S., Wang, H., & Xin, K. R. (2015). Organizational Culture in China: An Analysis of Culture Dimensions and Culture Types. *Management and Organization Review*, 2(03), 345-376.
- Valverde, M., Scullion, H., & Ryan, G. (2013). Talent management in Spanish medium-sized organizations. *The International Journal of Human Resource Management*, 24(9), 1832-1852.
- Wang, K. Y., & Clegg, S. (2007). Managing to Lead in Private Enterprises in China: Work Values, Demography and the Development of Trust. *Leadership*, 3(2), 149-172.
- Wang-Cowham, C. (2011). Developing talent with an integrated knowledge-sharing mechanism: an exploratory investigation from the Chinese human resource managers' perspective. *Human Resource Development International*, 14(4), 391-407.

- Warner, M. (2011). Management training and development in China revisited. *Asia Pacific Business Review*, 17(4), 397-402.
- Wellins, R. S., Smith, A. B., Paese, M. J., & Erker, S. (2012). Nine best practices for effective talent management. *White Paper*. Retrieved from
- Wong, A. L. Y., & Slater, J. R. (2002a). Executive development in China: is there any in a Western sense? *The International Journal of Human Resource Management*, 13(2), 338-360.
- Wong, A. L. Y., & Slater, J. R. (2002b). Executive development in China: is there any in a Western sense? *International Journal of Human Resource Management*, 13(2), 338-360.
- Wright, P. M., Coff, R., & Moliterno, T. P. (2014). Strategic Human Capital: Crossing the Great Divide. *Journal of Management*, 40(2), 353-370.
- Yan, K.-C., & Mak, M. (2010). Effectiveness of Western MBA programmes for Chinese managers. *Journal of Knowledge-based Innovation in China*, 2(1), 117-141.
- Zhang, Y., Lamond, D., Dolan, S., & Zhou, Y. (2009). Management by values. *Chinese Management Studies*, 3(4), 272-294.
- Zhao, S. (1997). MBA Graduate Education in the People's Republic of China. *Journal of Management & Organization*, 3(1), 59-66.
- Zhaopin.com. (2016). *2015 College Graduates Employment Report*. Retrieved from <http://article.zhaopin.com/pub/view/219361-26074.html>:
- Zhou, Y., Liu, X.-Y., & Hong, Y. (2012). When Western HRM constructs meet Chinese contexts: validating the pluralistic structures of human resource management systems in China. *The International Journal of Human Resource Management*, 23(19), 3983-4008.
- Zuo, X. (2002). China's Investments in Human Capital and Long-term Development. *Forum of International Development Studies*, 22, 57-72.

Appendix A:

Interview Guide

Step one: Explain the research background information

Step two: Consent Letter (Explain and get signed)

Step three: Explain the Human Capital Model (five dimensions)

Step four: Ask questions and take notes

Interview Questions:

1. How do you define “Talent” in your organisation?
2. What kind of activities, programs do you have to develop these “Talent”?
 - a. Can you tell me a little more about these (the scope of what is done and what they hope to achieve)?
 - b. Which of these activities, programs, etc. do you feel is most effective in development of your Talent? (Sense of HR manager’s evaluation of all these programs)
3. Do you sponsor your Talent to attend MBA program as a part of your Talent development approach/system? Besides MBA, what other practices do you use/support to develop “Talent”?
 - a. If yes, what is done (how much, do they have to be successful at MBA to get a reimbursement and why they sponsor, what does organisation hope to get back, for recruitment or retaining?)
4. How do you perceive MBA value in terms of “scholastic capital”? How about the value of “scholastic capital” in other TD practices/tools that you use?
5. How do you perceive MBA value in terms of “social capital”? How about the value of “social capital” in other TD practices/tools that you use?
6. How do you perceive MBA value in terms of “culture capital”? How about the value of “culture capital” in other TD practices/tools that you use?
7. How do you perceive MBA value in terms of “inner-value capital”? How about the value of “inner-value capital” in other TD practices/tools that you use?

8. How do you perceive MBA value in terms of “market-value capital”? How about the value of “market-value capital” in other TD practices/tools that you use?
9. Do you think your personal perception of MBA values is influenced by local culture (Chinese traditional philosophies and social value)?
 - a. If yes, in what is it influenced?
 - b. If no, “Do you think Chinese culture could have an impact on how HR managers see the MBA?” “Do you think that Chinese culture might influence how managers working in organisation (Talent) think about the MBA?”
10. Do you think your perception of MBA values is influenced by your organisational culture? (Do you think other people in your organisation value MBA same as you do?)
11. Do you think the value of MBA will continue in the future?

Appendix B:

Coding and categorizing responses: A list of responses by HC dimensions

Coding (Dimension)	Responses	Category 1 (Significance)	Category 2 (Co. type)
Scholastic Capital	<i>Definitely. Most of our Talents' background is onefold, whatever from sales, marketing or supporting function, they usually focus on their own fields, however, after they finish their MBA, their knowledge would be broadened which would be very helpful for their cross-functional move and cross-functional collaboration in the future. (A)</i>	Very Significant	MNC
	<i>I think yes. In China, managers are normally developed from experts in their functions, such as HR or Finance. Through MBA programs, they can systematically understand other functions, what are the key functions doing, how do they run their functions, and it provides an overview of business running and common language to communicate with other functional team members. MBA also broaden their views and gives them more opportunities for their future job rotation (B)</i>	Very Significant	MNC
	<i>I think the Scholastic capital has been increased a lot after MBA training. I can give you an example: my previous supervisor when I was in sales team, after he finished his MBA training, he applied what he learnt on his daily job, especially he used the finance knowledge to analysis our sales report. He showed what he learnt from MBA. The most important is he knows how to think broadly with cross-functional perspective. His management style became strategic rather than detail oriented. (C)</i>	Very Significant	MNC
	<i>Yes, I think so. Not necessary the depth of the knowledge but the width of view. In L'Oreal, most of our leaders are developed from ground level and when they become leader they need to have broader view. (D)</i>	Significant	MNC
	<i>I think it depends, the individual's (background) and the quality of the business school. Not all the MBA programs have good impact on candidates' performance at work. (E)</i>	Not Significant	MNC
	<i>Yes, definitely. Their skills and knowledge can be improved, not any specific skill but overall, their view is broader. Through the MBA training, they know how to run business, know other functions and the collaboration could be enhanced, their strategic thinking, entrepreneurship, target deployment improved. I also read some MBA books and now I realize what I was missing: how to translate the strategy, not just understand it but also how to execute, I think this is the gap, and the MBA can fill-up the gap. (F)</i>	Very Significant	MNC
	<i>I think their scholastic capital increased. Their knowledge is enhanced by more diverse and cross-functional understanding of business, horizon is broader, not just focus on their own field. I think MBA helps a lot, helps the big picture view. (G)</i>	Very Significant	MNC
	<i>I think conceptually yes. Honest, I don't think their knowledge and skill can have remarkable improvement through MBA, maybe their mind-set but not any specific knowledge or skill. (H)</i>	Significant	MNC
	<i>I think their horizon is broader, scope of knowledge is wider compare with other specific (professional) master degrees. MBA involves finance, HR, business strategy and overall business running, which is very helpful. So, yes. (I)</i>	Significant	Local

<i>I think Yes, it's obvious. MBA graduates have better big-picture view and broader perspective. For example, during the case study sessions in the Eagle Plan, those MBA graduates have better understanding of the financial status and big-picture view of the case company. Much different from those who have not MBA background, I think the difference is quite big. (J)</i>	Very Significant	Local
<i>Definitely. In China, many executives are developed and promoted from junior operator level, they don't have the formal managerial training or business management training. MBA provides systematic training, business knowledge, management knowledge, and I am very buy in that MBA can improve their scholastic capital value obviously. (K)</i>	Very Significant	Local
<i>Yes. Take myself or my colleagues as examples, I think it broadens our knowledge. Secondly, it sharpens professionalism. Top MBA school students have good mindset and the business schools also provide good platform to spread the good mindset. (L)</i>	Significant	Local
<i>Knowledge and skills (Scholastic capital) can be improved but not significant and qualitative change. You know if read some MBA book home, you can also learn some knowledge and skills, not necessary go to business schools. (M)</i>	Significant	Local
<i>Yes, the knowledge and skill can be more systematic. (N)</i>	Significant	Local
<i>I think yes. You know, we recruit MBA graduates, so I can compare, and I found the MBA holders, especially whose undergraduate major was not business related, their knowledge has been expanded. I think their business sense is enhanced, even you were majored in marketing, your business knowledge can be deeper and more professional, secondly, MBA also involves other functional knowledge so their cross-functional knowledge is broadened. I think MBA helps deepen and broaden their knowledge. (O)</i>	Significant	Local
<i>Definitely. What they have learnt from MBA, professional knowledge or methodologies will be applied on their job eventually. (P)</i>	Very Significant	Local

<i>Coding (Dimension)</i>	<i>Responses</i>	<i>Category 1 (Significance)</i>	<i>Category 2 (Co. type)</i>
	<i>I think the MBA provide a new channel for their social network. Whether running their own business or working for the company, the diversified backgrounds of their MBA peers may broaden their minds, and they could learn successful stories from other industries, which can provide good lesson to improve their own job and action plan. And I think the social network is very helpful. (A)</i>	Significant	MNC
	<i>It is definitely a plus. You may know different people from various industries, from different organisational development stage, from different functions, even from the same function, you may also share best practice with them. The network provides you more opportunities for the future career and better understanding of other industries or deepen their knowledge of their own industry. In short, it gives them broader and deeper view. (B)</i>	Very Significant	MNC
	<i>Oh, yes, definitely. MBA brings more diverse social network and these networks provide different insights which helps us understand our field better. (C)</i>	Very Significant	MNC
	<i>If it is an elite MBA program, the social capital should be well developed since the candidates will obtain lots of network resources, this is for sure. (D)</i>	Significant	MNC
	<i>For people from business functions, yes; for supporting functions, I am not sure. (E)</i>	Significant	MNC
	<i>I think it depends the MBA student's age. Maybe I am too old. I think the old MBA has valuable social capital because the candidates are all business owners or decision makers and you can learn a lot when you talk with them, strategies, directions etc. But now, MBA</i>	Significant	MNC

Social Capital	<i>students are much younger, they are 90' or 85' and they may not get valuable social networks, just my personal view. But for the young generation, I don't know, maybe they like this kind of networking, or maybe some of them think they can run their own business. (F)</i>		
	<i>You can definitely obtain social capital from MBA program. (G)</i>	Very Significant	MNC
	<i>Yes, sure. Especially from those elite EMBA or MBA programs in China. You know, most of the candidates there are executives in big companies, as the Chinese culture, people build up relationship with them. The method of MBA studies is different from our traditional learning, which provide good platform to build up social network. I think this one is remarkable and obvious. (H)</i>	Very Significant	MNC
	<i>Social capital can be increased through MBA, definitely in China. We can even see that many MBA students exhibit their (celebrity) classmates in their WeChat (Chinese version Facebook), and their classmates became their social network platform. In many cases, when we ask people why they take MBA, the answer would be "to expand my social network". (I)</i>	Very Significant	Local
	<i>I think for the individuals, sure, their social network/relationship is broadened. To be honest, this is the purpose for many people to take MBA courses. (J)</i>	Very Significant	Local
	<i>In China, social capital is always in demand. Many people actually pay MBA program in order to increase their social capital, I think it's not necessary to find a sugar daddy or lean on a VIP but to build up industrial or cross-industrial network, which would be a good preparation for their future career move or run their own business or even their part-time consulting job. I think MBA is a fast and concentrate way to build social network. (K)</i>	Very Significant	Local
	<i>Definitely. In our industry, you know our people are all from top MBA schools or top university as we are investment bank, this is important because you need good network, buyers can be sellers in this industry, you never know. (L)</i>	Very Significant	Local
	<i>I feel the social capital is significant, the MBA candidates are mostly senior managers from different industries; (M)</i>	Very Significant	Local
	<i>Yes, for sure. Especially for this industry, in finance and investment sect, you may easily access to some projects and find resources, network provides good contacts and selections. (N)</i>	Very Significant	Local
	<i>This is very significant. Many people, I actually know one guy, he was graduate from Beijing Technology University which is not an elite school. He started his own business after MBA and he was quite successful because of the alumni network. For them, MBA is a community circle, which is very important in China. (O)</i>	Very Significant	Local
	<i>As you can imagine, how his/her networks will be expanded through MBA community, and social network is very important. Even though he/she could receive much knowledge or skill training from MBA, the benefits of social network they gained from MBA is already enough. I think It is significant. (P)</i>	Very Significant	Local
<i>Coding (Dimension)</i>	<i>Responses</i>	<i>Category 1 (Significance)</i>	<i>Category 2 (Co. type)</i>
	<i>I think it really depends, because the quality and brand of MBA is various. The high qualified (Top brands) MBAs are well recognized. (A)</i>	Significant	MNC
	<i>I think in 8-10 years ago, MBA might be a plus, but nowadays, not really. You know, in China, there are too many MBA programs and the qualities are various. It really depends which MBA school you studied, who are your school mates, and how much you involved into the studies. You know people go to some business schools only for networking. Only few business schools are solid, most of the schools</i>	Not Significant	MNC

Culture Capital	are just building social networks for students, of course the social network is very important. (B)		
	Yes, I think so. We all know that when people finish their MBA training, they can have better chance to be developed. (C)	Significant	MNC
	Not really. Not in L'Oreal at least. Of course, we hire MBA graduates, but they won't be labelled as Talent or better than other just because of the MBA. (D)	Not Significant	MNC
	It really depends which business school you graduated, it's branding and quality (E)	Not Significant	MNC
	I feel culture is the most difficult issue in HR field. I have been HR professional since 1995 and I still find it is not easy to measure and manage. I think it is not easy to answer. Shall we leave this question for a while and come back later.	Not Significant	MNC
	... In China, MBA is more or less a "gold plating" process and that's why many people are flooding into MBA schools including the pop stars and celebrities. (F)		
	I think it also helps. (G)	Significant	MNC
	When you exchange business cards, many people believe that MBA can differentiate them from others, however, personally I don't think it's obvious. (H)	Significant	MNC
	For most of people, MBA graduates are superior than other professional master degree holders. Culture wise, they respect and expect them higher; they believe that the great ideas and creative thoughts are all from MBA holders. I think this perception is impacted by our stereotype impression the first MBA generation which is more than 10 years ago. (I)	Significant	Local
	I think the MBA doesn't help much on the Culture capital. My understanding of the culture capital is it really depends on the organisational culture and the company environment. In our company, "boss culture" is very dominant, the MBA degree won't add any value of society symbol of status here. But personally, I feel the MBA somehow increase the value of culture capital. I know one guy, of course not in our company, he finished MBA from Tongji University which involves some overseas studies, and he employed by a private company. Because of the MBA background, he was appointed as strategic assistant of the president of the company. Therefore, I think in private companies still worship MBA a lot, they need these MBA graduates to give them more confidence. (J)	Not Significant	Local
	Culture capital of MBA, my understanding is a kind of face issue, like something you can put it on the LinkedIn, even though it's not from top business schools or overseas schools, it still could be a plus. (K)	Significant	Local
	In our industry, MBA is a basic degree and we see MBA as a must rather than a plus. (L)	Significant	Local
	I am in charge of recruitment and I don't offer someone higher package only because of the MBA degree and treat he/her different. Of course, I might consider he/she is a good student, that's all. Candidates' previous working experience is our focus, MBA may provide him/her new perspective but it doesn't influence the package offer at all. (M)	Not Significant	Local
	Not really. (N)	Not Significant	Local
	I think yes. At least it shows that they are good learners and they are self-motivated on their development, I think we still label MBA graduates as superior employees in the organisation. (O)	Significant	Local
	I think yes. All these five dimension would be increased through MBA actually. Including the remuneration when we recruit them. (P)	Significant	Local
Coding (Dimension)	Responses	Category 1 (Significance)	Category 2 (Co. type)

Inner-Value Capital	I think yes, at least the EQ, let's make it simple. MBA provide opportunities that they can learn their self-reflection from other peers when they work with each others. (A)	Significant	MNC
	I think the inner-value is nothing to do with MBA, because inner-value really depends on individual's personality. Unless the MBA contains some psychology course, otherwise, I don't see any direct link between them. (B)	Not Significant	MNC
	What I observed is that people after MBA are more confident. As team leaders, they normally need to take more responsibilities, and I notice that they are more confident and strong leadership aura. (C)	Significant	MNC
	Yes, especially the self-confidence, it's very obvious. (D)	Very Significant	MNC
	For this dimension, I found obvious difference, especially the "open mind", MBA graduates have broader view. (E)	Very Significant	MNC
	Self-confidence is improved for sure. Self-efficacy etc. can't be improved through MBA, I think. In general, I don't think inner-value capital has much difference with or without MBA. (F)	Not Significant	MNC
	I think the self-awareness improves. (G)	Significant	MNC
	It really depends each individual, you can't lump together and make broad statement. Someone may experience self-examination process during MBA studies because their previous major or experience, I think it's very differ from man to man. (H)	Not Significant	MNC
	Mostly, their self-confidence is increased. For mature managers, MBA can give them additional confidence; for junior managers, MBA gives them additional market value. (I)	Significant	Local
	I have talked with some people, I feel their confidence and self-awareness has been developed after MBA studies but their personality didn't change. (J)	Significant	Local
	I think it also increases, especially self-confidence. (K)	Significant	Local
	Inner-value can be improved. They can become more and more confident, more and more shining; however, sometimes it's too much. We need people has Sanguanzheng (Authentic). (L)	Significant	Local
	secondly, I found that their confidence level has been improved through MBA. These two dimensions are very significant (M)	Very Significant	Local
	Yes, this part can be improved through MBA. (N)	Significant	Local
	Yes, I think so. For example, I know many people, studied MBA after 10 years working experience, then his expectation of remuneration became much higher than before. I think this is a proof of confidence. (O)	Significant	Local
	I think it also increases, especially self-confidence. (P)	Significant	Local
Coding (Dimension)	Responses	Category 1 (Significance)	Category 2 (Co. type)
	It gives no cause for more criticism, I mean, everyone wants his/her investment to be rewarded and his/her value to be increased. Company invest Talent for future, therefore, the real value of Talent eventually depends how he/she grows. (A)	Significant	MNC
	Still depends. People's value is measured by their competencies, so I would check the MBA graduates whether they have certain competencies rather than the MBA degree itself. And it also depends which MBA school, even which year of this school they studied, you	Not	MNC

Market-value Capital	know the quality and value can be different. (B)	Significant	
	Yes, definitely. MBA is a plus for their market value. People with MBA background are normally offered better. (C)	Very Significant	MNC
	It depends. Most of MBA candidates believe that their remuneration may be increased but I think it depends. If they don't have any relevant working experience, the MBA degree won't be a plus of their remuneration; if they have relevant working experience plus MBA, their market value can be increased. In L'Oreal, we are very performance driven, your value will be measured by result rather than education degrees. (D)	Not Significant	MNC
	In our company, we don't consider MBA as a plus when we define employee's salary band. In the market, I think it still depends the business school (brand and quality), there are too many MBAs in China. (E)	Not Significant	MNC
	After universities expanded enrolment, I feel MBA is not respected as before. There are too many MBA graduates in the market, MBA doesn't give an absolute advantage in recruitment, we don't see MBA graduates better than other candidates and we don't see non-MBA graduates better than MBA's. At least for me, MBA is not an advantage in recruitment. (F)	Not Significant	MNC
	In the companies that I worked for, non of them treat MBA holders preferentially during the recruitment process. We judge people by their competencies, skills and their real capabilities. If they can gain these competencies and skills from MBA, which is good, but we don't recruit people just because of MBA degree. (G)	Not Significant	MNC
	I think this is a timing question. Back to 5 to 10 years ago, if you have a MBA degree from elite business schools, it would give you a plus on remuneration; in the past five years, it has been less notable. MBA doesn't mean better remuneration at more. (H)	Significant	MNC
	Yes, market value can be increased after MBA training. Although there are a large number of MBA candidates, unlike 10 years ago when MBA holders are rare in the market, MBA became a must for many positions like SDB or consultant. (I)	Significant	Local
	MBA can definitely help increasing the market value as far as I know. It's obvious. (J)	Very Significant	Local
	I think yes but it's not very significant as several years ago, especially for the higher position holders. (K)	Significant	Local
	MBA is the ticket to our industry so I think yes. (L)	Significant	Local
	I am in charge of recruitment and I don't offer someone higher package only because of the MBA degree and treat he/her different. Of course, I might consider he/she is a good student, that's all. Candidates' previous working experience is our focus, MBA may provide him/her new perspective but it doesn't influence the package offer at all. (M)	Not Significant	Local
	Market-value could be increased but not all the cases. I think there is 30-40% possibility to increase the market-value capital through MBA. Less chance than the other dimensions. (N)	Not Significant	Local
	Yes, for sure.	Very Significant	Local
	I know many people, studied MBA after 10 years working experience, then his expectation of remuneration became much higher than before. I think this is a proof of confidence. (O)	Very Significant	Local
	All these five dimension would be increased through MBA actually. Including the remuneration when we recruit them. (P)	Significant	Local