What Business Students Really Need to Learn: An Evidence-Based Prescription for Curriculum Reform

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The business community continues to criticize business schools for the gap between the skills students learn and those needed to be successful at work. Business managers cite the lack of attention that current curriculum places on the development of interpersonal skills. To narrow this gap, business schools should develop interpersonal skills that business managers find most desirable in business school graduates. A two part conjoint analysis study of hiring managers’ preferences identified the importance organizations placed on various combinations of interpersonal skills. The implications of these findings for the design of business school curricula are discussed along with prescriptive recommendations.

INTRODUCTION

The business community’s contentions that business school graduates are ill-equipped with interpersonal skills to successfully manage the people side of business are not new (Dvorak, 2007; Hogan & Warrenfeltz, 2003; Mintzberg, 2005; Pellet, 2007; Porter & McKibbin, 1988). These complaints stem from the perception that those who design management education curricula are too far removed from the practical problems that confront managers in the real world (Abraham & Karns 2009; Boyatzis, Renio-McKee, & Thompson, 1995; Fischer & Glenn, 2009; Palomba & Palomba, 2001). Several business schools have recently incorporated classes with the objective of enhancing students’ softer leadership skills (Middleton & Light, 2011; Shipper, 1999; Stern, 2004); however business leaders believe that these efforts have been minimal and have not served to fully develop graduates’ interpersonal skills (Burgoyne & Reynolds, 2002; Pfeffer & Fong, 2002).

While the gap between the knowledge students acquire in business school and the skills they need to succeed as managers has been well-established (Banta, 2001; Clinebell & Clinebell, 2008; Kao & Mao, 2011; Palomba, 2001; Pfeffer & Fong, 2002; Porter & McKibbin, 1988), critics do not want a completely redesigned curriculum that would decrease the current focus on cognitive and technical knowledge. Rather, they want additional emphasis on the practical, behavioral aspects of management (Doria, Rozanski, & Cohen, 2003) that would equip them with the necessary “workforce-relevant skills” (Fischer & Glenn, 2009). The goals and purposes of both management education and the business community will be better served if business students acquire analytical business knowledge and interpersonal skills.

To address the issue and actually narrow the gap between business graduates’ hard and soft skill development requires that business programs effectively integrate the development of interpersonal skills
with the analytical tools typically acquired in current coursework. To accomplish this business faculty must actively engage with the business community to design a curriculum that meets their needs (Abraham & Karns, 2009; Levenburg, 1996).

The purpose of this study is to provide an evidence-based approach to closing the gap between the business curriculum and the expectations of hiring organizations. We conducted a study to discover the interpersonal skills identified by practicing managers as most important for success in the context of their organizations. Specifically, our investigation was designed to answer this question: *Which combination of interpersonal skills is most desired in MBA graduates by hiring managers?*

**INTERPERSONAL SKILLS**

The most frequent suggestion for MBA curriculum reform centers on the need for students to develop a full range of interpersonal skills. Many managers who are considered technically and professionally competent often have limited success due to deficiencies in relationship skills (Goleman, 1998; Hayes, 2002). While management educators may agree that effective interpersonal relationships are critical to managerial success, they also acknowledge the complexity of developing these skill sets (Mintzberg, 2005). The complexity is due in part to the fact that using an interpersonal skill does not consist of a single action, but rather is an integrated set of behaviors (Boyatzis, 1982). Successful relationships with employees cannot be established or maintained simply by using formulaic behaviors or applying a prescriptive model of managerial actions because each interaction is unique, nonroutine, and at times unpredictable (Hargie & Dickson, 2004; Mintzberg, 1973; Wright, 1996; Wright & Taylor, 1984). As managers discern various nuances in the course of any given interaction, they develop a different appreciation of the situation. As the interaction evolves, producing a satisfactory outcome requires the ability to think on their feet and try a different approach (Bigelow, 1991; Hargie, 1997; Wright, 1996). This suggests that a contingency approach to interpersonal effectiveness would be most appropriate; therefore managers must have a large repertoire of interpersonal skills from which they can draw as the situation demands (Bigelow, 1998; Hunt & Sorenson, 2001; Ivey, 1988; Wright & Taylor, 1984).

### TABLE 1

**INTERPERSONAL MICROSKILLS FRAMEWORK**

<table>
<thead>
<tr>
<th>Negotiating</th>
<th>Nonverbal Messages</th>
<th>Presenting Info/Explaining</th>
<th>Influencing</th>
<th>Working in Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information-Getting</td>
<td>Helping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Definition of purpose</td>
<td>17. Probing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Content &amp; coverage</td>
<td>18. Giving feedback</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Sequencing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Probing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Closure</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

In order to determine the repertoire of interpersonal skills necessary for success, we used a framework of microskills (Hayes, 1994) as the basis for our study. Microskills are identifiable, discrete behavioral units that are manageable, learnable dimensions of more complex behaviors that lend themselves well to interpersonal skill development (DeCormier & Jobber, 1993; Hayes, 1994; Ivey & Simek-Downing, 1980). Hayes (1994) identified these microskills as necessary for interpersonal success after working with managers who were technically qualified but lacked interpersonal competence. This framework of 28 microskills (see Table 1) is arranged within eight broad behavior categories that create a comprehensive “hierarchy of smaller behaviors, each of which contributes in part to overall performance” (Hargie, 1997, p. 8).

**METHOD**

The goal of this study was to identify the preference of hiring managers as to the ideal combination of interpersonal skill competencies for MBA graduates. Not all management candidates come equipped with expertise in all of the interpersonal skills that hiring managers might desire; therefore it was important to learn what trade-offs hiring managers were willing to make among these interpersonal skills. With this in mind, it was important to select a response format that fits the issue. For instance, if respondents were asked to indicate the importance they placed on various interpersonal skills using a Likert-type scale, most would likely respond with high ratings for all microskills and largely ignore the bottom half of the scale. The results of such a survey would not clarify whether all of the interpersonal skills were equally important to the respondents, or whether respondents simply did not differentiate among them based on how the questions were asked (Orme, 2003). As such, those results would not lead to actionable recommendations with regard to which interpersonal skills should be addressed in MBA curricula.

Given our desire to identify preferences of hiring managers among various combinations of interpersonal skills, we chose to use conjoint analysis as our primary analytical tool. Conjoint analysis is typically used in market research studies because it provides a set of techniques that model how people make complex judgments about products or services (Orme, 2006b). One aim of conjoint analysis is to inform marketers of products and services about the combination of attributes that consumers most prefer (Hair, Anderson, Tatham, & Black, 1992; Lockhart & Knain, 1998; North & DeVos, 2002). For example, when purchasing a laptop computer, a consumer must decide whether they are willing to pay more for certain attributes, such as a larger screen, longer battery life, and lighter weight, or if they are willing to trade any of these desirable attributes for a lower price.

We chose conjoint analysis because of the similarity between consumer choices made during purchase decisions and the judgments made by employers when evaluating potential employees (Moy & Lam, 2004). For purposes of this study, hiring managers were the consumers, MBA graduates were the products under consideration, and the interpersonal skill competencies of the graduates were the product attributes. Similar to marketing studies, we asked hiring managers to determine which combination of attributes was most desirable.

We conducted a field study in two phases. The purpose of the first phase was to identify the interpersonal skills (attributes) that hiring managers deemed most important. In the second phase, combinations of these attributes were presented as hypothetical candidates to a second set of hiring managers and their candidate choices were analyzed using conjoint analysis.

**Study: Phase One**

To identify the interpersonal skill attributes for our study we conducted structured one-on-one interviews with a nonprobability sample of seven managers who worked for employers in the region that hired a large number of MBA graduates. Each of the participants in this phase held a position of mid-level management or above. They also had at least five years of management experience and were currently or previously responsible for interviewing/hiring MBA graduates. They worked in engineering, organization development, finance, sales, marketing, project management, and quality departments in the aeronautics,
computer, high tech, telecommunications, and transportation industries. They had an average of nine years of experience interviewing and hiring managers.

Each participant received a copy of the Interpersonal Microskills Framework (Table 1) and a document that included detailed descriptions of each of the microskills. They then identified the six to ten microskills they deemed to be most important to the interpersonal success of managers in their organizations. Interpersonal success was defined as the ability of managers to build and maintain successful interpersonal relationships with subordinates, peers, superiors, and/or clients that would facilitate the achievement of the managers’ organizational goals whether they supervised other people or were individual contributors.

A compilation of respondents’ selections revealed eleven microskills they believed were most critical to managerial interpersonal success. The eleven microskills were then grouped into the following four categories:

1. The first category was empathy, which respondents viewed as one of the single most essential skills needed to build and maintain mutually beneficial interpersonal relationships.
2. The second category included assertiveness, collaborative bargaining, and political processes skills, which are skills that facilitate managers’ abilities to effectively work with and influence others, particularly their peers and superiors.
3. The third category was comprised of three skills that are especially useful for managers when they communicate with subordinates: giving feedback, probing, and reflecting.
4. The fourth category included group diagnostic and intervention skills, as well as skills for preparing and presenting information. These were classified as intellectually-oriented interpersonal skills in that they require cognitive skills to diagnose and intervene with groups, as well as the ability to cognitively prepare information that must be imparted effectively to groups of employees.

These four interpersonal skill categories became the attributes that were used for the second phase of our study.

Study: Phase 2

**FIGURE 1**

**SAMPLE CHOICE-BASED SURVEY QUESTION**

<table>
<thead>
<tr>
<th>Candidate 1</th>
<th>Candidate 2</th>
<th>Candidate 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above average influence skills</td>
<td>Above average influence skills</td>
<td>Adequate influence skills</td>
</tr>
<tr>
<td>Above average communication skills</td>
<td>Above average communication skills</td>
<td>Adequate communication skills</td>
</tr>
<tr>
<td>Adequate intellectual interpersonal skills</td>
<td>Above average intellectual interpersonal skills</td>
<td>Superior intellectual interpersonal skills</td>
</tr>
<tr>
<td>Above average empathy skills</td>
<td>Adequate empathy skills</td>
<td>Superior empathy skills</td>
</tr>
</tbody>
</table>

We designed an online choice-based conjoint survey that asked respondents to make judgments about hypothetical management candidates with various combinations of skill levels in the four categories identified in phase one. Participants were presented with 16 task screens that described the profiles of the
hypothetical candidates. They evaluated the various combinations of interpersonal skills and competency levels and then indicated their preference for the candidate they would most likely hire. To ensure that respondents understood the microskills that comprised each of the categories, they were initially provided with comprehensive definitions and were able to access pop-up definition screens throughout the survey while making their candidate choices. Figure 1 provides a sample of the choice task screens from which participants were asked to make choices.

After completing the task screens, participants indicated how their answers might have differed if they were considering non-MBA versus MBA candidates.

**Phase Two Participant Profile**

A purposive, nonprobability sampling technique was used to identify members of the targeted population (Kerlinger, 1992; Trochim, 2006) for this phase of the study. Primary sources included a list of the top 200 area employers and members of a business college advisory board. Additional participants were identified via the snowball sampling technique (Trochim, 2006). Ultimately, respondents from 26 organizations in twelve different industries participated in the study, with the majority (70%) coming from telecommunications (31%), retail (25%), and high tech (14%).

Participants for the study were managers who (a) worked in the region, (b) had at least one year of management experience, (c) had responsibility for interviewing and/or hiring management candidates, and (d) worked in a department or unit that either targeted or considered MBA graduates for management positions. The departments in which they worked did not have to intentionally nor exclusively seek MBAs for management positions, nor were qualified respondents required to personally hold an MBA degree.

Valid responses were received from 207 participants (56% response rate); 65% were male. Many of the respondents were among the key decision-makers within their respective organizations. Two-thirds (66.67%) of the respondents were senior managers or directors, while 16.9% were mid-level managers, and 11.1% were executive managers or officers. Approximately one half (50.73%) of the respondents had advanced degrees.

As a whole, respondents were a well-seasoned group of managers who had spent a significant number of years in management positions; 85% of them had been managers for at least six years. Respondents represented a wide cross-section of departments and functions, with the largest percentage working in sales and marketing (27.3%). Accounting/finance (14.98%), operations (14.49%), and human resources (10.14%) were among the other departments that were well-represented. Almost half of the respondents (47.4%) had ten or more years of interviewing experience; of these, 67.6% had responsibility for hiring mid-level managers and 86% had experience hiring candidates with some type of graduate-level degree. This profile indicates that overall the respondents were an experienced, well-educated group of hiring managers, and thus qualified to evaluate the potential success of our hypothetical candidates.

**RESULTS**

We used choice-based conjoint analysis to calculate how important each attribute was to respondents when making their candidate choices (Orme, 2006b). Importance can also be interpreted as a weight assigned to each attribute, showing the extent to which hiring managers are willing to trade off one attribute for another (Moy & Lam, 2004). Average importances were estimated individually for each of the 207 respondents and then averaged across the entire group. The average importances of the four skill sets (attributes) are displayed in Table 2.

The results indicated that, with all else being equal, a candidate with superior competence in all four interpersonal skill attributes would be preferred over a candidate who possessed superior competency in only three of the attributes. Similarly, a candidate with superior competency in two of the attributes and above average competency in the other two would be preferred over a candidate with superior competency in only one attribute. A candidate with above average competency levels in four attributes would likely be preferred over a candidate with above average competency in three attributes, and so on.
TABLE 2
AVERAGE ATTRIBUTE IMPORTANCES

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathy</td>
<td>16.52</td>
</tr>
<tr>
<td>Influence</td>
<td>25.22</td>
</tr>
<tr>
<td>Communication</td>
<td>31.99</td>
</tr>
<tr>
<td>Intellectual</td>
<td>26.27</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>

TABLE 3
MARKET SIMULATION – OVERALL HIRING LIKELIHOOD

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Empathy</th>
<th>Influence</th>
<th>Communication</th>
<th>Intellect</th>
<th>Hiring Likelihood</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate 1</td>
<td>Superior</td>
<td>Above Average</td>
<td>Above Average</td>
<td>Adequate</td>
<td>51.44%</td>
</tr>
<tr>
<td>Candidate 2</td>
<td>Superior</td>
<td>Above Average</td>
<td>Adequate</td>
<td>Above Average</td>
<td>36.09%</td>
</tr>
<tr>
<td>Candidate 3</td>
<td>Superior</td>
<td>Adequate</td>
<td>Above Average</td>
<td>Above Average</td>
<td>56.35%</td>
</tr>
<tr>
<td>Candidate 4</td>
<td>Above Average</td>
<td>Superior</td>
<td>Above Average</td>
<td>Adequate</td>
<td>60.36%</td>
</tr>
<tr>
<td>Candidate 5</td>
<td>Above Average</td>
<td>Superior</td>
<td>Adequate</td>
<td>Above Average</td>
<td>48.91%</td>
</tr>
<tr>
<td>Candidate 6</td>
<td>Above Average</td>
<td>Above Average</td>
<td>Superior</td>
<td>Adequate</td>
<td>63.54%</td>
</tr>
<tr>
<td>Candidate 7</td>
<td>Above Average</td>
<td>Above Average</td>
<td>Adequate</td>
<td>Superior</td>
<td>43.84%</td>
</tr>
<tr>
<td>Candidate 8</td>
<td>Above Average</td>
<td>Adequate</td>
<td>Above Average</td>
<td>Above Average</td>
<td>69.24%</td>
</tr>
<tr>
<td>Candidate 9</td>
<td>Above Average</td>
<td>Adequate</td>
<td>Above Average</td>
<td>Superior</td>
<td>63.41%</td>
</tr>
<tr>
<td>Candidate 10</td>
<td>Adequate</td>
<td>Superior</td>
<td>Above Average</td>
<td>Above Average</td>
<td>82.21%</td>
</tr>
<tr>
<td>Candidate 11</td>
<td>Adequate</td>
<td>Above Average</td>
<td>Superior</td>
<td>Above Average</td>
<td>84.26%</td>
</tr>
<tr>
<td>Candidate 12</td>
<td>Adequate</td>
<td>Above Average</td>
<td>Above Average</td>
<td>Superior</td>
<td>77.59%</td>
</tr>
</tbody>
</table>

While these conclusions about preference could be drawn intuitively, it is not reasonable to assume that there are more than a select few management candidates who possess superior levels of all four interpersonal skill sets. Therefore, while the average importances provided some insight into which attributes would have greater influence on hiring decisions, they alone did not provide sufficient
information to answer our research question. We needed to know what respondents’ choices would have been if they were asked to choose from among candidates that possessed various combinations of the interpersonal attributes that MBA graduates were more likely to possess. To determine this, we created twelve hypothetical candidates with realistic combinations of attributes and skill levels (shown in Table 3). We then used another conjoint analysis technique – the purchase likelihood market simulation (Orme, 2006a) – with these hypothetical candidates to determine which ones were more likely to be selected by the respondents.

The market simulation estimated the hiring likelihood for the twelve candidates (see the last column in Table 4). Based on the choices made by our respondents, if hiring managers had the option of choosing from among all of these candidates, with all else being equal, the three candidates they would be most likely to hire would be candidate 11 (84.26 %), candidate 10 (82.21%), and candidate 12 (77.59%), as shown in Table 4. Each of these candidates had above average or superior communication, influence, and intellectually-oriented interpersonal skills. The candidate that was most likely to be hired had superior communication skills. However, this candidate also had above average influence and intellectually-oriented interpersonal skills. The results of this market simulation are consistent with the findings based on overall average importances.

### Table 4

<table>
<thead>
<tr>
<th>Candidates with the Highest Hiring Likelihoods</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Empathy</strong></td>
</tr>
<tr>
<td>Candidate 11</td>
</tr>
<tr>
<td>Candidate 10</td>
</tr>
<tr>
<td>Candidate 12</td>
</tr>
</tbody>
</table>

### A Comparison of Hiring Decision Trade-Offs

A benefit of conjoint analysis methodology is that it can indirectly determine the complex value systems that individuals use when making decisions about products or services (or candidates) and thereby determine what trade-offs they are willing to make (Orme, 2006a). Several additional analyses were conducted to explore the significant trade-off patterns that were identified in the data. These include trade-offs by gender, age, hiring experience, management tenure, and department.

#### Trade-Offs by Gender

Female respondents gave an above average (18.23%) importance to empathy while males gave it a below average (15.60%) importance. This is not an unexpected result in light of long-held gender stereotypes (Duehr & Bono, 2006).

#### Trade-Offs by Age, Experience, and Management Tenure

A trend emerged while simultaneously examining survey results by respondent segments of age, interviewing experience, and management tenure. The weight of importance given to communication skills steadily increased as respondents’ years of management tenure increased. Respondents who were 50 and older also placed 37.88% importance on communication skills, which was higher than any other segment of respondents.
Trade-Offs by Department

Intellectually-oriented interpersonal skills, rather than communication skills, had the greatest impact on the hiring decisions made by respondents who worked in accounting and finance departments. The 33.08% importance they gave to this skill set was the highest of any group within any segment of respondents, meaning they were less likely than any group to trade intellectually-oriented interpersonal skills for the other skill sets. Conversely, respondents in accounting and finance placed lower importance on empathy (12.26%) than any other segment of respondents, meaning they were more likely to trade empathy for the other skill sets.

Respondents who worked in information technology (IT) departments also placed relatively high importance on the intellectually-oriented interpersonal skill sets (29.04%). Another distinguishing factor of respondents who worked in accounting, finance, and IT was that they placed the most value on intellectually-oriented interpersonal skills, more than they did on any of the other three skill sets. They also placed greater importance on influence skills than they did on communication skills. This order of attribute importance (intellectually-oriented skills, influence skills, communication, and empathy) was different than the overall preference pattern of all respondents (communication, influence skills, intellectually-oriented skills, and empathy). This means that hiring managers in these departments were less willing than those in other departments to trade intellectually-oriented and influence skills for communication and empathy.

The differences in skill preference ordering from respondents working in accounting, finance, and IT are consistent with the classic definition of differentiation developed by Lawrence and Lorsch (1967). According to them, differentiation refers to the differences in cognitive and emotional orientations, and in formal structure, among different functional departments. These findings reflect commonly held stereotypes of accountants, finance employees, and IT workers as intelligent, detail-oriented individuals with relatively low affiliation and social needs. It is these very stereotypes, however, that expose the significance of these results. Entry into the accounting and technology professions, as well as early career advancement in these fields, may be determined more by an individual’s intellectually-oriented and influence skills. Once accountants, finance employees, and IT workers begin to attain increasingly higher management levels in the organization and are required to interact more frequently with others, they will need to improve their ability to show empathy and broaden their communication skill set. Therefore, managers in the accounting and IT fields should not be misled by the results of this study and erroneously conclude that they can continue to succeed without developing the full spectrum of interpersonal skills.

Other Significant Findings

In contrast to expectations developed in phase one of this study, empathy was assigned a low overall average importance. However, the trade-off analysis identified some variance among groups with regard to the relative importance of empathy. Empathy was assigned a higher overall importance by female respondents than by male respondents. However, respondents who worked in marketing departments also placed more importance on empathy than respondents from other functional areas. In fact, at 19.25% it was the highest importance placed on empathy by any segment of respondents within any of the groups that we analyzed (i.e., gender, age, hiring experience, management tenure, and department). This does not appear to be an anomaly; to be successful in sales or marketing individuals must listen deeply to determine the needs of their clients and must be able to understand clients’ perspectives. This provides affirmative evidence to managers that empathy is important for generating positive outcomes in interpersonal relationships.

A surprising result came in participants’ answers to the question about how their choices for candidates’ interpersonal competencies might have been different if they were considering management candidates who were not MBA graduates. We fully anticipated that the majority of respondents would think that non-MBA candidates had fewer interpersonal skills than the MBA graduates, or that the non-MBA candidates might have similar skill sets, but at lower competency levels than the MBA graduates. The fact that such a decisive majority of respondents (74.9%) said that they would require similar interpersonal skill sets in candidates with or without an MBA degree was unexpected.
As professors who focus primarily on developing MBA students’ leadership and interpersonal competence, we were predisposed to think that an MBA degree would provide a certain hiring edge to management candidates. We were disappointed to learn that this was not the case; however it did bring us full circle back to the business community’s criticism of business education. Practitioners believe business school graduates – undergraduate and graduate – are not fully prepared to meet the challenges faced by managers in contemporary organizations. The current curricular emphasis on hard skills at the expense of soft skills simply leaves the majority of business school graduates ill-equipped to successfully manage the people side of business (Abraham & Karns, 2009; Burgoyne & Reynolds, 2002; Hogan & Warrenfeltz, 2003).

**DISCUSSION**

The primary purpose of this study was to answer this question: *Which combination of interpersonal skills is most desired in MBA graduates by hiring managers?* The question was answered in the context of a conjoint analysis study that evaluated the various combinations of interpersonal skill sets held by hypothetical job candidates. The ideal graduate will have superior communication skills, above average influence skills, above average intellectually-oriented skills, and adequate empathy. A candidate with this combination of interpersonal skill competencies had the greatest likelihood (84.26%) of being hired. The candidate with the second highest likelihood of being hired differed by only 2 percentage points (82.21%) and the third most likely candidate to be hired followed closely with a 79% hiring likelihood.

Based on this study it is clear that communication skills have the greatest impact on a hiring manager’s decision, followed closely by intellectually-oriented interpersonal skills and influence skills. Because empathy has the least impact on hiring decisions, adequate levels of empathy would be sufficient.

More specific nuances come into play at a secondary level of analysis; for example, a candidate seeking a management position in the accounting, finance, or IT field would not only need superior communication skills, they would also need to possess a particularly high level of competency in the intellectually-oriented interpersonal skills and influence skills. Similarly, in addition to possessing strong communication skills, candidates would be more likely to be hired if they had stronger empathy skills when being interviewed by a woman or a member of the marketing department.

**Implications for Business School Curricula**

The classic definition of management describes a universal process of achieving organizational objectives *with and through people* (Pfeffer, 1996). Business schools embrace this definition by claiming to develop managers. However as Mintzberg (2005) has emphatically stated, business schools – in particular, MBA programs – really do not develop managers in the sense of this definition. Rather, they prepare students to be business analysts. Thus, graduates of business programs can evaluate competitive environments, develop strategic plans, analyze financial statements, and discount future cash flows to determine their net present value. While these skills are certainly important in business, they are not directly connected to achieving objectives with and through people. Business school graduates must also be capable of dealing with the human side of organizations.

Perhaps it is because these soft skills are more difficult to teach, but management education programs are notorious for failing to develop the interpersonal skills necessary to effectively manage people (Butler, Forbes & Johnson, 2008; Mintzberg, 2005; Schmidt & Ralph, 2005). In our study we asked hiring managers to identify the skills they believed are most important in a hiring decision. The resounding response was that interpersonal skills matter. The results of our study provide an empirically-based response that will assist in the effort to better align management education curricula with the needs of the business community.

First, the administrators and faculty of business schools must grasp the full import of the hard skill – soft skill gap and the failure of contemporary management education programs to close this gap. Business school curricula should include a purposeful focus on developing students’ abilities to give feedback, ask
probing questions, and reflect on what others have said – the microskills that comprise the communication skills category that is *most* important to hiring managers. Emphasis must also be placed on developing the other eight microskills that are critical to managerial interpersonal success: assertiveness, collaborative bargaining, political processes, diagnostic skills, intervention skills, preparing information, presenting information, and empathy.

The results of this study established that communication skill has an unmistakably large impact on hiring decisions; at 31.99% importance, it is almost twice as important as empathy (16.52%), and approximately 23% more important than influencing skills (25.22%) and intellectually-oriented interpersonal skills (26.77%). This in and of itself was not an unexpected result; the ability to effectively communicate is considered to be an integral component of interpersonal success (Hargie & Dickson, 2004; Pfeffer & Fong, 2002). The value that this finding has, however, is in the specificity of its definition. Communication skills historically have been defined very broadly and ambiguously (Earnshaw, 2004; Ferketich, 1998; Hunt & Sorenson, 2001; Yukl, Gordon, & Taber, 2002). This study has identified three very specific components of communication skill – giving feedback, asking probing questions, and reflecting on what others say – that can become the heart of communication skill development courses.

Because this study focused on interpersonal skills that are necessary for managerial success, business programs should consider infusing experiential approaches that allow students to learn and practice essential microskills in the same manner that therapists and teaching professionals have successfully employed the microtraining method (Ivey & Simek-Downing, 1980; Martin & Campbell, 1999). It is imperative that interpersonal skill development courses not end with the acquisition of individual interpersonal skills merely to create a repertoire for students. The final step of learning how to integrate the microskills into effective combinations and determining exactly how and when they should be used is essential. Just as accomplished Samurai warriors first learn and perfect a collection of individual swordsmanship skills and then integrate those skills into their being (Ivey, 1988), the interpersonally skilled manager will not only need a large repertoire of microskills; he or she will need to become proficient in combining the microskills to acquire an overall interpersonal competence that is greater than the sum of its parts.

We believe that business school curricula should include at least one required class at both the undergraduate and graduate levels that is devoted to the development of the critical interpersonal skills identified in this study. This course should be designed in such a way that the students will develop self-awareness by gaining an understanding of their leadership skills (strengths and weaknesses) via self-assessments and through feedback about the impact of their behavior on others.

A business school graduate should be prepared to do three things: manage oneself, lead others, and effectively run organizations (Drucker, 1999). For too long business schools have focused on the third outcome while all but neglecting the first two (Mintzberg, 2005). We believe that it is possible to teach students to manage themselves and lead others while they are running the business. In fact, we doubt the business can be effectively run if these elements are missing.

**Strengths, Limitations and Implications for Future Research**

The 207 participants in this study were a very seasoned and mature group of hiring managers who were well-educated. These credentials indicate that the respondents had extensive knowledge and the practical experience necessary to provide well-informed judgments of the hypothetical job candidate profiles. Thus, we assumed that they made selections based on their actual preferences for hiring.

On the other hand, the convenience sampling method used to recruit participants, as well as some characteristics of the respondent group itself, limit the generalizability of survey findings to the population of hiring managers. First, only 26 different organizations were represented out of a total number of at least 1000 local organizations. Additionally, while twelve different industries were represented, six of those included less than five respondents. Conversely, there were two industries that were populated with a large number of respondents from a small number of companies. For example, 79% of the respondents in the retail/sales group came from a single organization, and the remaining 21%
of those respondents came from one other organization. The 64 respondents from the telecommunications industry worked for a single organization. Finally, male respondents heavily outnumbered female respondents by two to one.

In an effort to create a less cumbersome response format we reduced the set of 28 microskills into four categories of skills. In future research the individual microskills should be used as individual attributes to create the conjoint survey rather than artificially constructing categories of skills. This is now possible due to recent upgrades in conjoint analysis software. The ability to use the choice-based conjoint survey method (Orme, 2006b) and the hierarchical Bayes analysis technique to estimate overall choice preferences from a relatively few number of choice tasks (Orme 2006a) allows researchers to use a much larger number of attributes without unreasonably burdening participants.

Future research should add salary requirements and job-specific required skills as part of the attribute combinations being evaluated. Candidates with superior interpersonal skills in all areas may not be as desirable if they also have salary requirements that are well above what the hiring organization is willing or able to pay. Similarly, business knowledge and management experience are also part of the complete candidate package and should be included as attributes in future surveys regarding interpersonal competencies. In light of the findings that revealed decidedly different levels of importance placed on the interpersonal skill sets by accounting, finance, and IT department respondents, members of professional organizations or industry-specific groups could be surveyed to identify the most desirable combinations of interpersonal skill competencies for management candidates in specific fields or professions.

The respondent pool in the current study was heavily weighted toward men; therefore future studies should attempt to achieve a more balanced sample. This could be achieved by using purposive sampling techniques directed at professional women’s organizations and industries that have a larger than average percentage of female managers (health care, for example). This would allow further exploration of the gender-specific differences in hiring manager preferences identified in this study.

A longitudinal study should be conducted to determine if the hiring preferences of younger managers will change as they become older and more experienced to mirror the preferences of the current older, more experienced managers, or if their preferences are a reflection of a different generation of managers.

Additionally, because participants in this study worked in the southwestern United States, studies should be conducted in other parts of the country to determine if hiring manager preferences differ by geographic area.

CONCLUSION

This study offers two new perspectives from which to think about management education. One is to consider the value of identifying a core set of interpersonal microskills that, when combined appropriately, can lead to interpersonal competence. This will reduce the ambiguity around what comprises managerial interpersonal skills. The other perspective comes from giving a voice to local hiring managers in determining which skills are the most critical for managerial interpersonal success in their organizations.

Practitioners attach higher importance to different competencies than do academic faculty, therefore it would seem prudent for schools of business to engage in frequent conversations with practitioners to ensure that business education programs are designed to produce in students both the knowledge required for academic rigor and the practical management skills valued by business organizations (Abraham & Karns, 2009; Levenburg, 1996).

It is imperative that business school administrators put forth greater effort to change their curricula and thereby change the negative perception in the business community. Armed with knowledge about the importance that hiring managers place on the various interpersonal skills, and an evidence-based recommendation, business school administrators can address the development of those specific skills when designing curriculum. The result will continue to narrow the gap between the managerial skills that are necessary for success in today’s organizations – the skills that hiring managers actually value – and
the skills that students develop in business school, thus better preparing them to succeed as managers. We see this as a key component of the necessary “revolution in management education” (Pellet, 2005).

REFERENCES


