

Developing the Skills for International Business Management— The Implications of the Management Education Opportunity Grid

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ABSTRACT. This exploratory study addresses two issues: (1) how firms select applicants for positions in international management and, subsequently, evaluate the performance of international business education in Taiwan; and (2) what the important skills for international management professionals are, and how well university graduates are equipped with these skills. By surveying 108 executives and constructing a Management Education Opportunity Grid, this exploratory study has the following findings and suggestions: (1) firms tend to fill positions requiring inter-

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national management skills by putting greater emphasis on international expertise, foreign language ability, and knowledge related to international business; (2) educational institutions are not able to fully satisfy the demands of the business community; (3) the top seven important skills for international managers are communications skills, initiative, business ethics, foreign language ability, overall learning ability, adaptive ability, and self-control; (4) in terms of offering the business community the highest degree of satisfaction, the top seven skills are computer skills, overall learning ability, teamwork, foreign language ability, initiative, word processing ability, and business ethics; and (5) educational institutions evidently should devote more resources to the areas identified as “urgent to improve” and “continuously improving.” [Article copies available for a fee from The Haworth Document Delivery Service: 1-800-HAWORTH. E-mail address: <docdelivery@haworthpress.com> Website: <<http://www.HaworthPress.com>> © 2005 by The Haworth Press, Inc. All rights reserved.]

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INTRODUCTION

The world markets have gradually moved towards greater openness, stimulated by the World Trade Organization (WTO) and other international economic organizations. This globalization of markets has not only resulted in a reduction of barriers to international trade and investment, but also facilitated the internationalization of firms. Take Taiwan as an example; according to the Ministry of Economic Affairs, total foreign investment outflows from Taiwan were about US\$ 3.26 billion, while total imports and exports totaled US\$ 232.2 billion in 1999. In 2000, total foreign investment outflows drastically increased to US\$ 5.07 billion, and total imports and exports similarly increased to US\$ 288.3 billion, figures all reflecting an increased interaction between Taiwan and the rest of the world. The degree of internationalization of firms in Taiwan has also grown year by year.

Since Taiwan, as an island economy, lacks a rich supply of natural resources, human resources have not only become the most important resources for firms, but have also played a critical role for businesses to survive and to form competitive advantages (Seetoo, 1998). In fact,

from his interviews with 88 executives and scholars in Taiwan and mainland China, Chen (1997) concluded that the greatest challenges facing all businesses, whether serving domestic markets or international markets, pertain to problems vis-à-vis human resources. Faced with growing international competition, Taiwanese firms require high quality engineers, as well as managers with a global perspective. Therefore, to enhance their competitiveness, it is imperative that Taiwan firms commit more resources in an effort to more fully develop human resources with the ability to engage in international management.

Although the development of international management skills can rely on specialized training programs offered by external agencies or by firms' on-the-job training programs, universities certainly can also play an active role. Smith (1997) found that, in Asian countries where there are strong demands for professionals in international business, universities have responded by offering international business courses. Similarly, Ball and McCulloch (1993) indicated that international business education assists U.S. firms to gain competitiveness in international markets. Not unlike those in other countries, universities in Taiwan have responded to the challenge by offering such courses, not to mention setting up entire programs in international business. Currently, for example, more than ten universities, such as National Taiwan University and National Cheng Kung University, have departments or graduate institutes of international business. However, issues as to exactly how academia should implement international business management education and in which way curricula could be best designed seem to have been given less attention. In addition, studies evaluating/assessing the effectiveness of these programs appear to have been in short supply, if not totally lacking. Because most universities in Taiwan lately have financial (resource) constraints, addressing these issues so that the universities can more efficiently utilize their resources becomes critical.

Previous studies on international business education have focused on evaluating the importance of various courses and on understanding the needs of firms; nevertheless, no relevant discussions are found on how effective relevant educational programs have been in satisfying the needs of employers in the workplace. Because students are the outputs of educational programs, whether they possess the capabilities demanded by the business community ought to be a major concern for educators. Therefore, what is essential is that educators understand how to deploy their often limited educational resources and still ensure that students' abilities in international management are strengthened. Liang (1999), in a report regarding the development of professionals in inter-

national trade in Taiwan, has stressed that existing educational programs commonly have the inherent problems of lacking clear educational objectives, only demanding a less than adequate number of years in advanced education, and others. Apparently, the gap between the expectations on the supply side (i.e., the academia) and those on the demand side (i.e., the business community) is significant, and even perhaps widening.

In light of the importance of international business education and the aforementioned background, in particular the failure of such education programs to meet the needs of international firms, this exploratory study, by surveying executives, intends to answer the following questions: (1) How do firms select applicants for positions in international management and how do firms evaluate the performance of the international business education in Taiwan? (2) What are the important skills for international management professionals and how well have universities graduates equipped with these skills? By constructing a Management Education Opportunity Grid, based on Likert scales of the “degree of satisfaction” and the “importance of skills required for international business management,” we provide the academic community with a conceptual map for the design of curricula which provide for better international business education. This exploratory study carries out an analysis from the perspective of the demand side (the business community) with the objective of facilitating the effective allocation of limited educational resources, so that the development of international business management expertise can be more cost-efficient. This exploratory study not only offers further understanding of the status of international business education in Taiwan, but also provides suggestions for better international business education from the executive’s perspectives.

REVIEW OF STUDIES ON INTERNATIONAL BUSINESS EDUCATION

The increasing degree of openness among the world’s economies has become a characteristic of the global economy. Internationalization is an unavoidable trend, as well as an important move frequently leading to the failure or success of many firms. Studies have shown that solid international business education has positively affected firms’ performance (Beamish, 1988; Koh, 1986; Reynolds, 1986). These findings have, subsequently, motivated researchers to investigate the interna-

tionalization of business education and educational institutions to implement various programs related to international business.

Of particular significance, recently international business management received serious attention at the Annual Meeting of the Academy of Management in 1998 and has since become an important topic for educators (Contractor, 2000b). Inkpen and Beamish (1994) also indicated that between 1970 and 1994, studies related to international business education accounted for 22.6% of the articles published in the *Journal of International Business Studies*. This means that the academic communities in Europe and U.S. have already realized the importance of international business education. Studies relevant for issues in international business, such as international marketing, international financial management and so on, have gradually increased in recent years; however, research related to international business education has not yet lost its importance. Leading academic journals such as *Management International Review*, *Journal of Management Development*, *International Executive*, *Journal of International Business Studies*, *Journal of Teaching in International Business*, and *Journal of Education for Business* still publish articles about international business education.

Why is international business management an issue worthy of continued study by academia? The primary reason is that there are differences among countries and international business management is extremely complicated (Sunderam and Black, 1992). These cross-national differences, compared with the differences within a country (e.g., market segmentation), do not merely represent differences in levels, but also differences in nature, such as in currencies, pricing habits, government regulations, national endowments, or resources and so on. Contractor (2000a) has also argued that due to international differences in culture, regulations, prices, costs, pricing models, etc., international business managers themselves can become an area of research. It is the responsibility of managers to take national differences into account and derive appropriate strategies accordingly. Thus, International Business Education has gradually received more attention from the academic community and the business community. Topics like how to internationalize curriculum, how to design courses related to international business management, and how to develop the capabilities for international managers have been the foci of many researchers.

In terms of the skills (abilities) needed for international managers, Beamish and Calof (1989) and Bartlett and Ghoshal (1992) indicated that experience, specific functional expertise (such as marketing, financial management and so on), communication skills, leadership, inter-

personal skills, flexibility, ethical and moral views, management skills, diversified capabilities, and adaptability are important. Surveying executives in Taiwan, Tsai and Yu (1995) found that communication skills, interpersonal skills, foreign language ability and adaptability are the most important skills for international managers. The findings of the two studies are very similar. In that Taiwan is a non-English speaking country, whether a manager possesses foreign language ability is vital for international business. As Walter (1990) pointed out in non-English speaking countries, when firms recruit foreign language ability is evaluated. In keeping with this, the business community suggests educators improve students' cross-cultural communication capabilities (Webb, Mayer and Allen, 1999).

As for curriculum design in recent years, with the request of the American Assembly of Collegiate Schools of Business (AACSB), many business schools have incorporated the international dimension into their courses (Mayer and Pioche, 1997). The survey results of 392 doctoral students in 12 North American business schools (Webb, Njoku and Allen, 1996), nevertheless, revealed that school education still does not meet the demands of businesses. Several studies (Ball and McCulloch, 1993; Beamish and Calof, 1989; Reynolds and Rice, 1988) also showed that the business community, by and large, has low expectation when it comes to recruiting graduates with the capability to engage in international business. Dunning (1989) also indicated that international business education does not satisfy the demands of customers (i.e. students and the business community). Thus, understanding the needs of the business community, the ways in which graduates do not meet these needs and how universities can satisfy these needs are vital for enhancing the sustainability and qualifications of international business management school.

There is no doubt that international business education is important to firms with international operations. However, a review of studies in Taiwan and other countries indicates that a considerable gap exists between the performance of international business education programs and the demands of firms. Thus far, no study has clearly pointed out the differences in emphasis between the educational institutions and business community. This exploratory study sheds considerable light on this issue and provides invaluable recommendations for educators and curriculum planners.

RESEARCH METHODOLOGY

Samples and Data

The primary purpose of this exploratory study is to understand the expectations and suggestions of executives regarding international business management and international business education programs. To prevent sample selection bias, respondents of the structured questionnaire had to have had work experience in international business. To prevent bias caused by mailing questionnaires where the targeted respondents may not have been reached or may not have filled in the questionnaire by themselves, an in-class questionnaire survey method was adopted. The business executives attending three different graduate-level classes (i.e., one course taught at a non-degree executive program and two courses taught at an Executive Master of Business Administration program¹), at a national university in northern Taiwan were selected to answer the questionnaires. The sampled EMBA program was recognized as the best EMBA program in Taiwan in 2004 in a nationwide survey conducted by a prestigious local magazine (*The Commonwealth Magazine*). These programs require that applicants possess at least eight years of full-time work experience and are in managerial positions. Consequently, the average age of the respondents was about forty, and among them, seventy-eight percent were managers, fourteen percent were CEOs, and remaining seven percent were presidents. Before the respondents filled in the questionnaire in class, one researcher briefly explained the contents of the questionnaire and gave respondents sufficient time to complete it. Questionnaires were returned, for a sample size of 108. Given a few questionnaires with non-responses, the level of useable responses was acceptable. Moreover, the researchers, all either majoring in international business or teaching international business courses, participated in the distribution and collection of the questionnaire, which added to the perceived importance of the research.

Research Design and Analysis

The questionnaires were divided into four parts. Part 1 questions the importance of various skills required for international management (Ball and McCulloch, 1993; Beamish and Calof, 1989; Tsai and Yu, 1995; Webb et al., 1999) and to what degree business school graduates are equipped with these skills; Part 2 delved into the opinions and suggestions of international business education in Taiwan (Webb et al.,

1999); Part 3 asks about the manner in which the business community selects employees for positions in international management (Ball and McCulloch, 1993; Beamish and Calof, 1989; Tsai and Yu, 1995; Webb et al., 1999); the last part is the demographic information of the respondents. All questions were developed by referring to the literature on international business management education published in Taiwan and abroad. The findings reported in a special 2001 issue of *Cheers Magazine* summarizing the required skills of graduates as perceived by executives in Taiwan were also incorporated. The first draft of the questionnaire was reviewed by two professors specialized in international business and their knowledge of research design. The revised questionnaire was perfected by a pretest to ensure its content validity.

RESULTS AND DISCUSSION

Descriptive Statistics

As shown in Table 1, most respondents were aged between 35 and 49 years old, reflecting their experience in the field. Most respondents were college graduates and about 48.5% of them had either a master or doctoral degree. About 76% of the respondents were managers with different functional expertise. Among these respondents, about 90% had traveled overseas for business over the past year, and over 25% had been stationed overseas, typically for less than half a year. The data shows that the majority of the executive sample were involved with and did understand international business.

Among the executives/managers, about 90% went overseas for business at least once in the previous year, and over 25% have had actual full-time overseas work experience. For 44% of those with actual full-time overseas work experience, the duration of the overseas work was less than half-a-year, whereas for 20% it was from one-half to one year and for 36%, it was longer than 1 year. It is reasonable to claim that the majority of executives/managers in the sample have been involved and have some familiarity with activities pertaining to internationalization.

To get a grasp on how graduates have performed at work, we asked the respondents to rate "the degree of college graduates' meeting the demands of the business community" on a five-level Likert scale: totally unsatisfactory, unsatisfactory, acceptable, satisfactory, and totally satisfactory. The responses were: 1.1% for totally unsatisfactory; 17.2% for

TABLE 1. Sample Description

Demographic Characteristics	No. ^a	%
Age		
under 35	19	17.6%
35-39	26	24.1%
40-44	26	24.1%
45-49	22	20.3%
over 50	15	13.9%
Education		
Less than college	7	6.5%
University/college	51	47.2%
Master	48	44.4%
Doctor	2	1.9%
Position		
Manager	85	78.7%
CEO	15	13.9%
President ^b	8	7.4%
Business trips abroad last year (times)		
0	15	13.9%
1-2	33	30.6%
3-4	25	23.1%
More than 5	35	32.4%
Full-time expatriate experience		
Yes	27	25.0%
Half a year or less	(11)	(44.0%)
Between half and one year	(5)	(20.0%)
More than one year	(9)	(36.0%)
No	81	75.0%

^a Missing values due to non-response and sample size perhaps not equal to 108.

^b Including directors, vice-chairperson, and chairpersons.

unsatisfactory; 59.8% for acceptable; and 21.8% for satisfactory. It is evident that room exists for improvement in the international business education curricula in Taiwan.

Recruiting Criteria and Evaluation of International Business Education

Regarding the criteria used for the selection of employees for international business, we did not differentiate among levels of positions because the results may not apply to new college graduates due to their lack of international experience. The results are shown in Table 2. Exec-

utives seemingly put more weight on the following three criteria when recruiting: managers should have expertise in international business; managers should have foreign language ability and professional knowledge in international business and business experience. Among the criteria listed, the respondents tend to prefer locally educated MBAs. These results indicate that the global trend toward the internationalization of business makes it imperative to recruit people with international business knowledge and foreign language ability. Additionally, unlike in the past, the executives confirmed the quality of MBA holders educated in Taiwan. This means that if the educational resources can be more effectively utilized, the competitiveness of Taiwan graduates can certainly be even further enhanced.

With respect to the assessment of the business community sample about the international business education in Taiwan, the executives do not give high marks (Table 3). The executives agree more with the statements: "Business schools in Taiwan are responding to our needs"; "Academic research findings are useful for business decisions"; "Educators in Taiwan fully understand the needs of the business community in international management"; and "Business schools in Taiwan are too theoretical and are unable to relate to business practice." However, the low rating of the statement, "Graduates from business schools meet the requirements of the entry level employee in international business," indicates that the educators need to better understand the international business community and, in turn, address it more appropriately.

TABLE 2. Recruiting Criteria for Positions with International Responsibility

Items	Mean	Rank
1. Managers should have expertise in IB.	4.324	1
2. Managers should have foreign language ability.	4.224	2
3. Professional knowledge in IB and business experience are preferred.	4.176	3
4. Managers should have formal business education.	3.841	4
5. Managers should have an international vision.	3.785	5
6. We prefer applicants with MBA degrees.	3.766	6
7. We increasingly hire generalists for new recruits.	3.713	7
8. The value of IB education is not easy to determine among new graduates.	3.689	8
9. We prefer foreign MBAs to Taiwanese MBAs.	3.393	9

IB = International Business.

TABLE 3. Evaluation of International Business Management Education

Items	Mean	Rank
1. Business schools in Taiwan are responding to our needs.	3.514	1
2. Academic research findings are useful for business decisions.	3.505	2
3. Educators in Taiwan fully understand the needs of the business community in international management.	3.463	3
4. Business schools in Taiwan are too theoretical and are unable to relate to business practices.	3.495	4
5. Professors at business schools understand business practices.	3.299	5
6. Graduates from business schools meet the requirements of the entry level employee in international business.	3.213	6
Average	3.415	

Although the respondents give a relatively high rating to the quality of business education and the practical value of academic research,² they tend to down value to the quality of new graduates. Business education is also questioned by the respondents asserting that too many theoretical aspects about business are taught. We can conclude that international business education has failed to meet the demands of the international business community. This deficiency is attributed either to educators' inability to understand the needs of the international business community, to an insufficient supply of educational resources to enhance programs, or to an inefficient allocation of educational resources. We believe that each question has some validity, and we offer recommendations to improve the outcome from international business training.

Skills in International Management Required and Their Assessment

Table 4 shows the perceived importance of the various skills in international business management. The top seven skills are communication skills, initiative, business ethics, foreign language ability, learning capability, adaptive capability and self-control. It can be concluded that, for the most part, executives think that personal characteristics and teamwork are extremely important in international business management. This conclusion is similar to the findings of Tsai and Yu (1995) and Beamish and Calof (1989). The main difference is in the ranking of "managerial abilities (planning, organizing, staffing, etc.)." While it was ranked second in the previous two studies, it was not deemed to be

TABLE 4. Importance of Various Skills for International Managers

Competence	Mean	Rank
Communication skills	4.509+	1
Initiative	4.482+	2
Business ethics	4.435+	3
Foreign language ability	4.426+	4
Learning capability	4.407+	5
Adaptive capability	4.389+	6
Self-control	4.380+	7
Teamwork-minded	4.355+	8
Problem-solving	4.352+	9
Resource utilization	4.343+	10
Flexibility	4.333+	11
Analysis and judgment	4.287+	12
International perspective	4.185	13
Innovative capability	4.120	14
Planning capability	4.074	15
Computer skills	4.065	16
Leadership	3.963–	17
Cross-cultural communications skills	3.824–	18
Knowledge of foreign cultures	3.732–	19
International trade practices	3.720–	20
Word processing ability	3.713–	21
International management experience	3.701–	22
International financial knowledge	3.685–	23
Understanding of geography, history, and government policies	3.509–	24
Average	4.125	

+ Significantly higher than the average of the total sample (i.e., 4.125).

– Significantly lower than the average of the total sample.

as important in this study. Surprisingly, the importance of international business-related abilities (such as cross-cultural communication skills and international perspective) are generally regarded as being of lesser importance in this study, reflecting that, for the executives here, the skills for general management seem to be prerequisites to the necessary skills for international business management.

The perceived degrees of satisfaction by executives regarding various skills demonstrated by college graduates are shown in Table 5. In general, executives feel that college graduates in Taiwan do not meet the expectations of the business community (i.e., average is only 3.228). The following are the skills of college graduates which are considered

TABLE 5. Degree of Satisfaction

Competence	Mean	Rank
Computer skills	3.991+	1
Learning capability	3.774+	2
Teamwork-minded	3.443+	3
Foreign language ability	3.434+	4
Initiative	3.425+	5
Word processing ability	3.406+	6
Business ethics	3.406+	7
Adaptive capability	3.340	8
Self-control	3.302	9
Resource utilization	3.274	10
Communication skills	3.226	11
Planning capability	3.189	12
Problem-solving	3.179	13
Analysis and judgment	3.170	14
Flexibility	3.160	15
Innovative capability	3.151	16
International perspective	3.142	17
Leadership	3.047–	18
Knowledge of foreign cultures	2.991–	19
International financial knowledge	2.972–	20
Cross-cultural communication skills	2.943–	21
International trade practices	2.934–	22
Understanding of geography, history, and government policies	2.837–	23
International management experience	2.750–	24
Average	3.228	

+ Significantly higher than the average of the total sample (i.e., 3.228).

– Significantly lower than the average of the total sample.

less than satisfactory by the business community: international management experience, understanding of geography, history and government policies, international trade practices, cross-cultural communication skills, international financial knowledge, knowledge of foreign cultures and word processing ability. Deficiencies in these skills may be caused by schools for not offering adequate courses (e.g., culture knowledge, cross-cultural communication skills, understanding of the history, geography, and government policies of other countries) or by the absence of appropriate approaches in teaching which would integrate theories with practices (such as international financial knowledge, international trade practice, and international management experience).

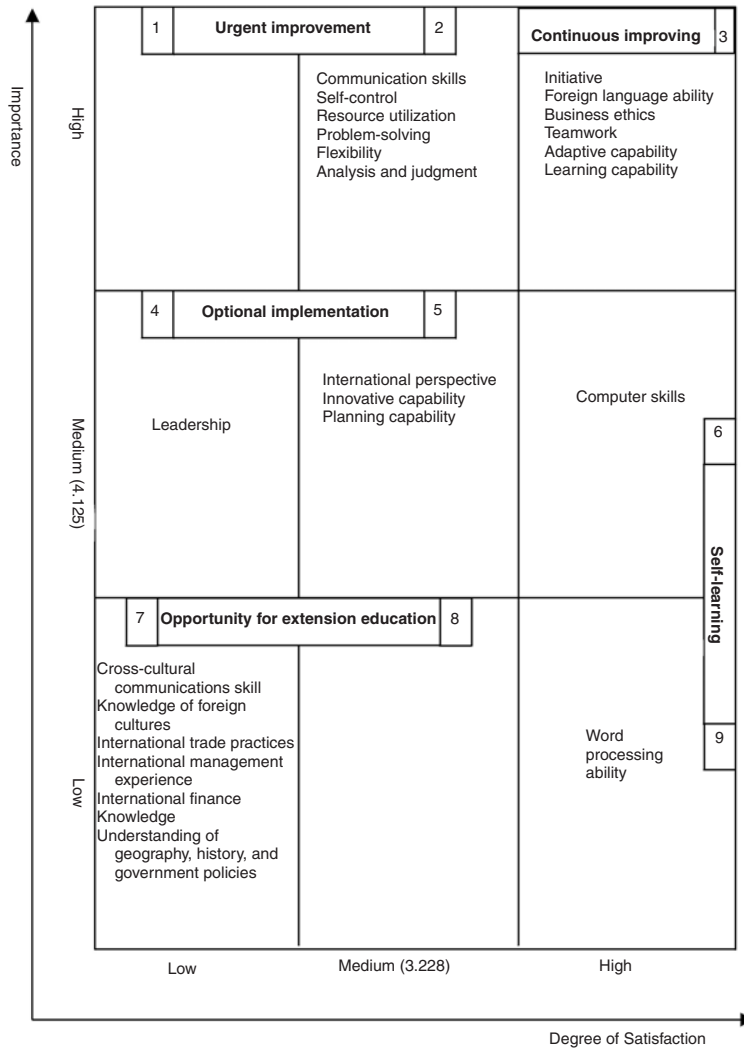
Although the finding does not mean that international business education has been headed in the wrong direction in Taiwan, at least it suggests that educators need to pay more attention to the international business community if they want their products to be highly sought after by the business community. Comparing the results in Table 4 and 5, we find that some important skills for international management are rated low in performance (e.g., communication skills is considered the most important skill, but the degree of satisfaction among with regard to this skill is ranked 11th). The finding, nevertheless, does not imply that educational institutions should invest more educational resources in developing these skills. To determine whether the resources should be used to develop a particular skill, we should also take into account the degree of importance of a particular skill to the business community and the availability of the educational resources.

Construction of the Management Education Opportunity Grid

We constructed a Management Education Opportunity Grid by taking into account the degree of satisfaction perceived by the respondents regarding the various skills demonstrated by college graduates and the importance of the various skills required in international business management. The mean values in Table 4 and 5 are used to classify the skills into three categories, namely high, medium and low.³ The Management Education Opportunity Grid is shown in Figure 1. It is believed that this grid, constructed under the assumption that limited resources are held by educational institutions, is useful for the allocation of resources. The cells in the grid can be further divided into five groups. We discuss each group in turn.

Cells 1 and 2 represent areas for urgent improvement since they are considered to be of high importance but do not provide high satisfac-

FIGURE 1. Management Education Opportunity Grid



tion. Communication skills, self-control, resource utilization, problem-solving, flexibility, and analysis and judgment are the skills demanding more investment by educators. To satisfy the demands of the business community, educators should pay more attention to the skills identified as “urgent improvement.” Educators should also establish evaluation

and feedback mechanisms to ensure students possessing these skills. These skills reflect their abilities in thinking, analyzing, negotiating, problem-solving, and so on. Case studies, analysis, and diagnosis are teaching tools inductive to the development of these abilities and to foster the spirit of teamwork.

Cell 3 shows the skills with high importance and high satisfaction. Although graduates display relatively better abilities in this area, executives' ratings of the listed skills are not high (the average is 3.47). This cell is labeled as "continuous improving" because of the necessity of strengthening these skills. Initiative, foreign language ability, business ethics, teamwork, adaptive capability, and learning capability are the skills appreciated by the business community. Though room for improvement still exists, the skills in this area may not be effectively improved only through classroom teaching. Teaching materials reflecting business practices help but can be enhanced by hands-on experiences and participating in social events (Lay, 1980; Shaw, 1999).

Cells 4 and 5 show the skills with medium importance and acceptable levels of satisfaction. We label these areas as "optional implementation" because educators have some discretion as to whether to improve these skills, based on the resources they have. Leadership, international perspective, innovation capability, and planning capability are the skills in this area. When educational resources are constrained, educators can selectively strengthen these skills by offering elective courses or allocating some time in courses to cover these skills. Students can be encouraged to participate in writing business proposals, students' clubs, or in large-scale activities to develop their leadership, creative and planning abilities. To broaden students' international perspective, educators can adopt cases with international flavor, or materials covering countries with different economic structures, political systems, and cultures. It is worth pointing out that the mean importance of these skills in this area (i.e., 4.125) is larger than that of the degree of satisfaction (i.e., 3.228), indicating the necessity for educators to examine these skills carefully.

Cells 7 and 8 show the skills with low importance and low satisfaction. Such skills as international trade practices, international management experience and international financial knowledge seem not to be very important to the respondents. These results contradict those in Table 2, where executives value international business management knowledge and abilities. To explain this, we group these skills into three types: practical experience, including international management experience and cross-cultural communication skills;

macro-international environment including knowledge of foreign cultures, financial knowledge and the understanding of the geography, history and government policies of other countries; and technical abilities (i.e., international trade practice). At first, it may be hard for university graduates who enter a business arena to acquire enough practical experience and knowledge in the macro-international environment. Therefore, these two types of skills may not be important to them from the perspective of executives. On the other hand, for managers with several years of experience, these two types of skills become important. The implication is that: (1) for students who just begin to work and plan to become high level executives in charge of an international business, they should try to gain these two types of skills over time; and (2) extension education eyed at managers should provide courses related to these two types of skills. In the aspect of technical abilities, because the target discussed in this study are university graduates, executives may think that this type of skill is required for graduates of vocational or community colleges. Generally, these schools devote more resources to technical training (e.g., more teaching hours, better software and facilities, and internship with business) than universities. Hence, it is little wonder that this type of skill is rated with low importance and low satisfaction for university graduates. We label this area as “opportunity for extension education.”

Cells 6 and 9 show the areas which the respondents consider less important, but which graduates show a high level of performance. We label these two cells as “self-learning” because computer skills and word processing capabilities are learned by students themselves. That students have this ability can be the result of self-learning or extra courses they have taken. Because these skills are needed for other courses, we believe that students learn and develop these skills because of their own initiative.

Previous studies in international business education have only discussed the importance of international management skills and then proposed that academia improve these skills. It is clear from the above analysis, without looking into the availability of educational resources and the ability of students, that some of these suggestions cannot be realistically achieved. For example, if a skill is rated high in importance, but students already possess it with a satisfactory level of proficiency, continued investment in developing this skill by educators would be a waste of time and resources. Referring to the Management Education Opportunity Grid, educational institutions should devote their limited

resources by following the order: “urgent improvement” area, “continuous improving” area, and “optional implementation” area. As for the “self-learning” area, maintaining the status quo is acceptable, and extension programs should emphasize the area of “opportunity for extension education.”

CONCLUSIONS

The purpose of management education is to develop human resources for the business community. As the environment and the needs of the business community change, so must the programs offered by educational institutions. With changes in global commerce and competition, management education in Taiwan has evolved significantly. Since the 1990s, competence in international business management has been gaining importance (Tang, 1999). Not only do firms have to invest in nourishing employees with international expertise, but academia also has to prepare their students for managing international operations.

In recent years, global economic development has created new opportunities and challenges that firms must face. The increasing internalization of the economy in Taiwan has heightened the need for people with the ability and knowledge to get involved in international business, and this has led to an emphasis on international business education in Taiwan. In addition to increasing courses related to international business, some universities have setup a department of international business to reflect the focus on international business education. Although studies have shown that the business community holds a low degree of expectations regarding the capabilities of university graduates to fully and effectively engage in international business (Ball and McCulloch, 1993; Beamish and Calof, 1989; Reynolds and Rice, Jr., 1988), this does not mean that the business community ignores the importance of business education. The example of the research conducted by Tsai and Yu (1995) is cited. It indicated that in the recruiting process, the importance of employees possessing international business management knowledge ranks only next to the importance of possessing practical experience. Thus, it is sufficient to say that no matter if it is in the past or present, the knowledge of international business management plays a very important role for large firms in developed countries and, likewise, for small and medium-sized firms in newly-industrialized countries,

like Taiwan. Educational institutions cannot overlook international business education.

Regarding the development of international business expertise, it will even be more important in the future. Both this exploratory study based on Taiwan (Table 6) and that of Webb et al. (1999) based on the U.S. reveal that the supply of graduates with international business education will not meet the demand. In Taiwan, executives feel that even in 2010, the short supply will still remain. Table 6 also reveals that executives are willing to share their experience with students. They are willing to participate in curriculum design and to encourage their employees to teach part-time at universities. Their participation in international business education illustrates their demand for employees with international expertise as well as their desire to improve the quality of international business education.

In the past, the research on international business education has been limited to the examination of the importance of courses or skills needed for international management, from the perspective of either educators or the business community. No investigation has previously addressed the gap between the skills of students dealing with international business and the demands of the business community. This exploratory study, by looking into the recruiting criteria, the skills needed for international business, and how students are evaluated in these skills, has shed some light on this issue.

Not surprisingly, only 21.8% of the respondents reported feeling that college graduates satisfactorily meet the demands of their firms. When recruiting, respondents put more weight on expertise in international business and foreign language ability, reflecting the significance of the skills of international business management (Table 2). However, educational institutions seem not to be able to satisfy the demands of the business community (Table 3). Educators in Taiwan certainly can play a more active role in developing more qualified students for business.

TABLE 6. Willingness of Involvement

Items	Mean
I will encourage my managers to teach part-time.	3.935
I am willing to be involved in the design of an IB curriculum.	3.851
The supply of IB graduates will exceed the demand by 2010.	2.963

IB = International Business.

In this Taiwan exploratory study, 24 skills for international business management have been developed through a literature review and a pre-test of a questionnaire. The Management Opportunity Education Grid has been constructed based on the importance of skills required for international business management and the degree of satisfaction. This grid is divided into five areas, namely “urgent to improve” area, “continuous improving” area, “optional implementation” area, “opportunity for extension education” area and “self-learning” area, which have implications for educational institutions to allocate their limited resources. We have found that communication skills, self-control, resource utilization, problem-solving, flexibility, and analysis and judgment are the skills requiring more commitment on the part of educators. Educators should consider adopting case studies, analysis, and diagnosis to improve the analytical skills of students and to foster the spirit of teamwork. Meanwhile, using courses or materials with an international flavor is important to broaden the international perspective of students. Although students gain favorable assessments from executives for skills such as foreign language ability and adaptive capability, these skills still need to be improved. The overall knowledge of the international environment and some skills directly related to international business should be the focus of extension education.

Limitations and Future Directions

While the empirical results were interesting, caution should be exerted when generalizing the findings beyond the scope of this exploratory study. First, the results were derived from a sample of Taiwanese executives. Because Taiwanese firms are overwhelmingly small- and medium-sized, it raises the concern that the findings might be country-specific. Studies focusing on executives in other countries should be conducted to test the generalizability of our findings. Further, one limitation of the research is that the sample population was drawn from executives working in the northern part of Taiwan. Executives in the southern part of Taiwan may exhibit different views, as witnessed by the saying that “there are significant differences between the north and south of Taiwan.” For future research, the opinions of educators (i.e., the producers at the supply side) should be gathered so that a more balanced view can be presented and more useful implications can be derived.

NOTES

1. In Taiwan, many universities offer EMBA programs and different EMBA programs admit students with different requirements. For example, unlike the one examined in the study, some programs require only 4 years of work experience.

2. This result might partially be attributed to the fact that the respondents were taking courses at a university and were presumably more aware of the outputs of academic research.

3. The classifications were made by mean-difference tests: a skill was classified as “high” if its value is above the mean, as “medium” if its value is no different from the mean, and as “low” if its value is lower than the mean.

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