



AMA RESEARCH

The Case for AMA MANAGEMENT CERTIFICATION

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Executive Summary

There are about 24 million managers in the U.S. workforce, and research suggests that there is great opportunity to improve their effectiveness. The American Management Association (AMA), using research conducted on thousands of leaders globally, has identified the 4 key areas that create excellence in management. Those 4 areas are the foundation for the Total Professional framework. In addition, AMA has examined the feasibility of implementing a certification process for managers. Results indicate broad support, from both current managers and employers, for a certification process to standardize the role of manager. Results also indicate that AMA, given its nearly 100 years of experience developing managers, is perceived to be the right organization to confer such a certification.

CERTIFICATION: A designation awarded to an individual who has demonstrated knowledge, skill and/or abilities as defined in a predetermined set of standards. Certification validates an individual's qualifications in a certain subject—here being management.

So why, you might ask, is it time for management certification? For one thing, there are a lot of managers out there. A recent estimate¹ is that there are about 24 million managers, supervisors and administrators in the U.S. workforce today. That works out to about 1 manager for every 5 employees, or 17.6% of the workforce and 30% of the total compensation distributed. On their own, managers influence a huge chunk of the economy.

And these managers make a profound impact on the performance and vitality of organizations. Recent research² by Clifton and Harter on the impact of good (and bad) managers on employees suggests that upwards of 70% of the variability of performance between teams is explained by the performance of managers and supervisors. Managers, through their actions, enable employees within organizations to produce the products and services that we want and need.

Unfortunately, this research also suggests that managers could have a great deal more impact than they currently do. Clifton and Harter go so far as to say that “most current team leaders do not have the natural tendencies for managing people.” This striking issue is likely due to the practice of promoting employees based on strong performance in an individual contributor role, not because they have the right set of knowledge, skills, abilities and other characteristics that will make them a great manager.³

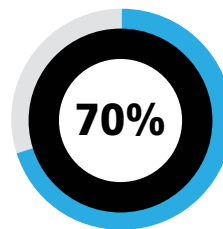
Another factor is that many individual contributors who ascend to management roles retain some of their original individual contributor roles and responsibilities. In these cases, employees are being

U.S. WORKFORCE STATISTICS:

24 million managers

1 manager for every **5** employees

17.6% of the workforce



70% of variability in team performance is impacted by managers or supervisors

¹Hamel and Zanini (2016) in their article in *Harvard Business Review*.

²Clifton and Harter (2019) in their book *It's the Manager*.

³In a 2015 report, Gallup estimated that only 1 in 10 people have the skills necessary to manage effectively; however, an additional 2 in 10 have some of these skills and could be successful managers with the right training and development.



tasked to play two separate roles at once, sometimes called being a “player-coach.” Though in theory it may seem to be a good idea to combine these roles, in reality the individual often only focuses on the role they do best, the individual contributor one. In a study of player-coaches,⁴ researchers found that player-coaches tend to “meddle and micromanage” when they have a handful of direct reports, and tend to only “communicate goals and focus on trouble spots by defining expectations” when they have a larger set of direct reports. Their research suggest that a proliferation of player-coaches can do real harm to organizations, contributing to “corporate bloat and inefficiency.”

When we again consider the estimated ratio in the U.S. workforce of 1 manager to every 5 employees⁵, one can clearly see the prevalence of the player-coach model in organizations. Interestingly, top-performing companies often have a smaller ratio of managers to employees, sometimes as low as 1 manager to 10 employees. The authors of this research suggest that these high-performing organizations benefit greatly by having fewer managers, but these managers are also highly qualified and have the skills and experience to manage effectively.

So, again, why is it time to certify managers?

Because there is a huge opportunity to clarify the role of manager across organizations and standardize it, with real impact on the bottom line. As noted before, there are a lot of managers and many of those managers have competing roles. A certification process will clarify the role of manager, which in turn will improve the effectiveness of managers in those roles. Researchers in one study⁶ estimated that the cost of lost productivity due to inefficient management is around \$1 trillion annually, or about 5% of the GDP. It is time to certify managers because building a validated certification process can serve to codify the role of manager and to improve the overall effectiveness of managers globally.

Of course, there are many other professions that have strong certification and credentialing requirements, from doctors to lawyers, accountants to project managers to human resources professionals. In 2015, about 22% of employees had a license (Bureau of Labor Statistics). What’s somewhat mind-boggling is that about 18% of the workforce is in a management position. It is time for a certification process for managers.

\$1 trillion or 5% loss of GDP is attributed annually to inefficient management

“A certification process could lead to increased opportunities for career advancement, both inside and outside of their organization.”

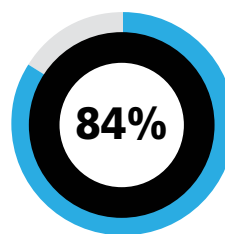
⁴Kaufman, Morieux and Scullion in their 2006 article “The Fallacy of the Player-Coach Model.”

⁵Hamel and Zanini (2016) in their article in *Harvard Business Review*.

⁶Clifton and Harter (2019) in their book *It’s the Manager*.



Another reason for a management certification process is the fact that managers and organizations simply want one. Research conducted by the American Management Association (AMA) clearly identified an unmet need for a certification process. The study involved about 770 managers and employers and results showed broad support for a certification process. For example, 84% of employers indicated that, given the choice, they would encourage current employees to pursue an AMA management certification. About 3 in 4 employers also indicated that having managers in their organization certified by AMA would lead to increased efficiency and better management in their organization, and would be of value to their organization.



84% of employers surveyed indicated that having managers certified by AMA would lead to increased efficiency and better management

Managers in the AMA research study also highlighted a host of benefits to certification: 73% of managers indicated that a certification would be evidence of a professional commitment and would lead to an enhanced feeling of personal accomplishment. A certification would also serve as *a validation of specialized knowledge and a demonstration of management competence*. Finally, *a certification process could lead to increased opportunities for career advancement, both inside and outside of their organization*.

Clearly there is a need for a professional certification for managers. However, for a management certification process to work, **the role of manager must be clearly defined and measured.**

Recognizing the need, AMA recently “rolled up their sleeves” with managers and thought leaders around the globe to develop a clear and concise depiction of what the current role of manager entails.

In a comprehensive 2016 study of 11,624 employees at all levels of organizations operating across the globe, AMA examined the confidence these employees had in a number of specific areas of knowledge, skill and experience that are critical for business performance. Results of this research indicated many “skill gaps” for employees, including business acumen, relationship management, professional effectiveness and analytical intelligence. On average, all of these critical areas fell in the “Emerging Competence” range of scores, suggesting the need for comprehensive development of a number of skill areas for employees operating at all levels of organizations.

Based on this research, AMA created the “Total Professional” framework for managers, which consists of 16 competencies organized into 4 critical domains. The diagram below provides an overview of the Total Professional framework, and each of the domains is described in detail (next page).

“For a management certification process to work, the role of manager must be clearly defined and measured.”

AMA's Total Professional Framework



Professional Effectiveness: Mastery of personal awareness and interpersonal skills.



Business Acumen: Understanding of business operations.



Analytical Intelligence: Application of systematic thinking, analysis and data interpretation.



Relationship Management: Ability to establish and maintain professional relationships.



TOTAL
PROFESSIONALSM

Most Critical Manager Competencies

Professional Effectiveness



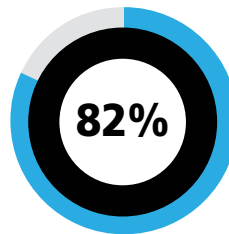
Communication: Deliver clear and concise written communication in the form and manner best suited to the type of message and intended audience.

Emotional Intelligence: Recognize others' emotional states through observation of nonverbal cues, body language, tone and behavior.

Presentation Skills: Prepare for presentations by identifying key and relevant content to deliver targeted information and a clear message.

Professional Effectiveness refers to an individual's ability to manage themselves with professionalism when working with others. In a managerial context, a person's ability can be described by their communication, emotional intelligence and presentation skills. Managers who are strong in these areas are perceived as being more professional managers.

Within Professional Effectiveness, research by AMA indicated that entry-level and early-career managers typically need improvement in communication, emotional intelligence and presentation skills. For example, 77% of managers and 82% of employers indicated that newer managers need to improve their communication skills, while 70% of managers indicated newer managers need to increase their emotional intelligence skills. In addition, 66% of employers indicated newer managers need to improve their presentation skills.



82% of employers indicated that newer managers need to improve their communication skills

Relationship Management



Conflict Management: Manage conflict as it occurs by assessing the severity of the situation and developing an understanding of the causes of the conflict.

Motivation: Model excellence, enthusiasm and commitment to the organization and the work.

Collaboration and Team Development: Encourage cooperation and teamwork among people who depend on each other to get work done.

Influencing: Build relationships and partnerships that result in mutual cooperation through trust, credibility and communication.

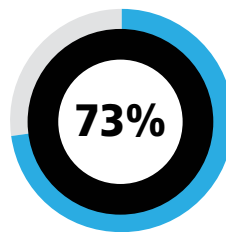
Delegation: Give clear instructions and ensure that team members have all necessary information, requirements and resources; and understand the timelines needed to complete delegated responsibilities.

Performance Management: Hold others accountable for achieving their performance goals, and address performance problems in a timely and fair manner by clearly defining where expectations are not being met.

Managing Change: Provide clear, timely and accurate information about changes on an ongoing basis.

Relationship Management refers to an individual's ability to build trusting relationships and to influence others. In a managerial context, a person's ability can be described by their conflict management, motivation, collaboration, influence, delegation, performance management and change management skills. Managers who are strong in these areas are perceived as having stronger and deeper relationships within the organization.

Within Relationship Management, AMA research indicated that entry-level and early-career managers typically need improvement in collaboration, conflict management, managing change and influence. For example, 70% of managers indicated entry-level managers need improved collaboration skills; 67% indicated early-career managers need improvement. In addition, both managers and employers indicated that conflict management typically needs to be improved by both entry-level managers and early-career managers. Strikingly, 73% of employers indicated the need for early-career managers to develop influence skills.



73% of employers indicated the need for early-career managers to develop influence skills

Business Acumen



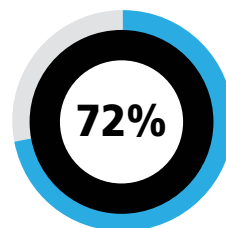
Managing Projects: Create a collaborative environment with the project team and key stakeholders to address responsibilities, concerns and changes.

Financial Acumen: Identify financial conditions that impact the team's budget, operations and functions to create processes for budgeting and forecasting.

Customer Focus: Foster a culture of empowerment by acknowledging and reinforcing customer-focused behaviors.

Talent Management: Foster an environment that champions diversity, inclusion and respect by acknowledging and embracing differences and encouraging open lines of communication.

Business Acumen refers to an individual's understanding of how business works at both functional and strategic levels. In a managerial context, a person's ability can be described by their managing of projects, financial acumen, customer focus and talent management. Managers who are strong in these areas are perceived as having a stronger grasp of the business.



72% of employers indicated that early-career managers need to improve their talent management

Within Business Acumen, AMA research indicated that entry-level managers typically need the most improvement in customer focus. For example, 67% of managers and 66% of employers indicated customer focus needs to be improved by

entry-level managers. In addition, 65% of managers and 72% of employers indicated that early-career managers need to improve their talent management. Furthermore, 61% of managers and 67% of employers also indicated that early-career managers need to improve their financial acumen.

Analytical Intelligence



Critical Thinking: Use appropriate tools, resources and expertise to develop the best solution to a given problem or situation.

Managing and Mastering Data: Synthesize and summarize quantitative and qualitative information from multiple sources.

Finally, **Analytical Intelligence** refers to an individual's ability to think in a clear and organized fashion. People strong in analytical intelligence can analyze and create insights out of data and situations and engage in critical thinking to arrive at sound decisions and promising ideas. In a managerial context, a person's ability can be described by their critical thinking and skill in managing and mastering data. Managers who are strong in these areas are perceived as contributing to organizational objectives through disciplined thinking and smart decision-making.

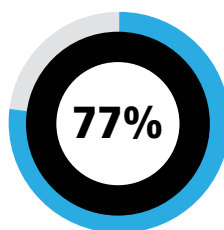
Within Analytical Intelligence, AMA research indicated that entry-level managers need improvement in critical thinking. For example, 69% of managers and 73% of employers indicated that entry-level managers need to improve their critical thinking. Furthermore, research indicated early-career managers need improvement in managing and mastering data: 66% of managers and 71% of employers indicated early-career managers need improvement in managing and mastering data.

Though there is significant alignment between managers and employers on the development needs of entry-level and early-career managers, there are some interesting differences. Table 1 displays the alignment, and there are some notable differences. Managers tended to highlight the need for entry-level managers to develop emotional intelligence, collaboration and customer focus competencies, while employers highlighted the need to develop conflict management, presentation skills and managing projects. When we examine early-career managers, managers tended to highlight the need to develop change management and financial acumen competencies, while employers highlighted the need to develop emotional intelligence and influence competencies.

One of the most striking findings displayed in Table 1 is that neither delegation nor performance management made the top 5 ranked competencies for either managers or employers. These results suggest that there are a host of management-related competencies that are becoming more critical parts of the management role and require more of a development focus. It also may indicate that this is a blind spot for managers and employers when considering a set of competencies that have been historically core to the more traditionally defined role of manager.

So how do we know that the AMA Total Professional framework has accurately captured the most critical of competencies? Well, for a number of reasons.

Recent research by AMA indicated strong support for the Total Professional framework.⁷ For example, 91% of respondents indicated that the four domains (and their underlying competencies) covered the essential skills required by successful managers. In addition, 77% of employers indicated there is a *demand* in their organizations for individuals with validated expertise in the competencies in the AMA Total Professional framework.



77% of employers indicated there is a demand in their organizations for individuals with validated expertise

⁷In 2018, AMA collaborated with ACT (the testing and credentialing company) to conduct a series of interviews, focus groups and surveys to managers and organizations to validate the Total Professional framework. In all, a total of 770 people participated in the study.

TABLE 1
Comparison of Top Ranked Competencies in Terms of Typical Development Need

	Entry-level managers ¹ Areas needing improvement		Early-career managers ² Areas needing improvement	
	Manager	Employer	Manager	Employer
Professional Effectiveness				
Communication	• 77%	• 82%		
Emotional Intelligence	• 70%			• 73%
Presentation Skills		• 66%		
Relationship Management				
Conflict Management		• 68%	• 63%	• 69%
Motivation				
Collaboration	• 70%			
Influence				• 73%
Delegation				
Performance Management				
Managing Change			• 67%	
Business Acumen				
Managing Projects		• 66%		
Financial Acumen			• 61%	
Customer Focus	• 67%			
Talent Management			• 65%	• 72%
Analytical Intelligence				
Critical Thinking	• 69%	• 73%		
Managing and Mastering Data			• 66%	• 71%

¹Entry-level managers have up to 2 years of experience

²Early-career managers have 2 or more years of experience

Note: Top 5 competencies identified for each column. Percentages of lower-ranked competencies suppressed to ease interpretation.

Furthermore, additional research was conducted by a third-party firm, Leadership Research Institute (LRI), to examine the content validity of the AMA Total Professional framework against other empirical models of management competencies. The findings from the research indicated strong content validity of the AMA Total Professional framework. A detailed set of findings of this content validity study can be found in the Appendix.

AMA is the right organization to offer a certification process

So why hasn't a manager certification process been launched before? One of the challenges of designing and administering a certification process for managers is the need for an organization with the credibility and depth of experience and knowledge to be able to pull it off. As John Norcini and Judy Shea write, "Probably the most important element of developing a credible standard is identification and use of qualified standard setters."



AMA, with its nearly 100-year history as a non-profit organization dedicated to understanding and developing the effectiveness of managers, is in a unique position to develop such a certification. Its deep internal expertise, coupled with its propensity to collaborate with members outside of the organization, gives AMA a true grasp of what it takes to be a successful manager. In fact, the research done to develop the Total Professional framework underscores AMA's pragmatic, research-based approach to identifying the critical competencies of managers. And employers agreed: 95% of employers indicated AMA is a qualified sponsor for a management certification.

So, in summary, is it time to certify managers? Without hesitation, a resounding "YES." Managers have a profound impact on organizations and the larger economy, and there is a need to codify and standardize the manager role. And research indicates that both managers and employers alike want an AMA certification process, which will yield a number of important benefits.

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"Employers agreed: 95% of employers indicated AMA is a qualified sponsor for a management certification."

Appendix. Content validation of the AMA Total Professional framework.

AMA collaborated with the Leadership Research Institute (LRI) to map the Total Professional framework to an existing validated model of managerial competencies. LRI mapped the Total Professional framework to two roles defined in the O*Net database. O*Net is the nation’s primary source of occupational information. The O*Net database, containing hundreds of standardized and occupation-specific descriptors on almost 1,000 occupations covering the entire U.S. economy, is continually updated from input by a broad range of workers in each occupation. The O*Net is an ideal way to validate the Total Professional framework, as O*Net is so comprehensive, and it’s maintained by experts in industrial/organizational psychology and related fields.

LRI mapped two management roles in the O*Net database to the Total Professional framework: First-Line Supervisors of Office and Administrative Support Workers (43-1011.00) and First-Line Supervisors of Production and Operating Workers (51-1011.00). The mapping was based on the skills, abilities and work activities identified in the O*Net database. The results of the mapping are displayed in Table 2 and indicate that the most critical skills, abilities and work activities from the O*Net job descriptions mapped directly to the 16 competencies of the Total Professional framework.

Based on the results of the initial 2016 study of 11,624 employees at all levels of organizations operating across the globe, coupled with the validation studies in 2018 of 770 managers and employers and the content validation study conducted by LRI, the Total Professional framework has demonstrated itself to be a strong and valid model of management competencies and tasks. In addition, the Total Professional framework’s simple structure allows managers and organizations to clearly articulate exactly what the role of manager entails, which is an essential part of rebuilding and reframing the identity of managers. By strengthening the identity of managers, we are helping managers internalize a clearly defined manager role and, in so doing, professionalize it—hence “Total Professional.”

TABLE 2

	Definition of Competency	O*Net
Professional Effectiveness		
Communication	Delivering clear messages to different audiences and facilitating open conversation.	Oral and Written Expression: The ability to communicate information and ideas in speaking and writing so others will understand.
Emotional Intelligence	Awareness of personal emotional state, and ability to recognize and engage with others’ emotional states.	Social Perceptiveness: Being aware of others’ reactions and understanding why they react as they do.
Presentation Skills	Ability to plan, develop and deliver effective presentations and engage with the audience.	Speech Clarity: The ability to speak clearly so others can understand you. Speaking: Talking to others to convey information effectively. Oral Expression: The ability to communicate information and ideas in speaking so others will understand.
Relationship Management		
Conflict Management	Identifying issues as they arise, and working toward a solution while including all affected parties.	Problem Sensitivity: The ability to tell when something is wrong or is likely to go wrong. Negotiation: Bringing others together and trying to reconcile differences.

Motivation	Identifying others' internal and external motivators, and aligning these motivators with goals and expectations.	Management of Personnel Resources: Motivating, developing and directing people as they work, identifying the best people for the job.
Collaboration and Team Development	Encouraging cooperation, teamwork and accountability among others to reach objectives.	Coordination: Adjusting actions in relation to others' actions. Social Perceptiveness: Being aware of others' reactions and understanding why they react as they do.
Influencing	Communicating a shared vision and developing buy-in from others.	Persuasion: Persuading others to change their minds or behavior.
Delegation	Determining tasks to be delegated and ensuring team members have all necessary information and resources to complete responsibilities.	Time Management: Managing one's own time and the time of others. Management of Personnel Resources: Motivating, developing and directing people as they work, identifying the best people for the job.
Performance Management	Assessing performance, providing effective feedback and setting realistic goals for employee growth.	Monitoring: Assessing performance of yourself, other individuals or organizations to make improvements or take corrective action.
Managing Change	Assessing the organization's readiness to change, defining appropriate milestones, and managing resistance to change.	Monitoring: Assessing performance of yourself, other individuals or organizations to make improvements or take corrective action. Administration and Management: Knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling and coordination of people and resources.
Business Acumen		
Managing Projects	Obtaining input and buy-in from stakeholders, creating collaborative environment with teams, and addressing concerns and challenges with projects.	Time Management: Managing one's own time and the time of others. Administration and Management: Knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling and coordination of people and resources.
Financial Acumen	Identifying key financial drivers of the business, and analyzing and presenting financial data.	Management of Financial Resources: Determining how money will be spent to get the work done, and accounting for these expenditures.
Customer Focus	Improving customer experience by collecting feedback, developing a culture of accountability and providing training for desired behavior with customers.	Customer and Personal Service: Knowledge of principles and processes for providing customer and personal services.

Talent Management	Providing coaching and support for employee development, fostering an inclusive and respectful culture and encouraging engagement.	Management of Personnel Resources: Motivating, developing and directing people as they work, identifying the best people for the job.
Analytical Intelligence		
Critical Thinking	Drawing evidence-based conclusions after examining data, maintaining an objective viewpoint to make complex decisions and translating ideas into tangible results.	Critical Thinking: Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems. Judgment and Decision Making: Considering the relative costs and benefits of potential actions to choose the most appropriate one.
Managing and Mastering Data	Synthesizing quantitative and qualitative information, and making business recommendations based on data analysis.	Complex Problem Solving: Identifying complex problems and reviewing information to develop and evaluate options and implement solutions. Information Ordering: The ability to arrange things or actions in a certain order or pattern according to a specific rule or set of rules.

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