

AN EVALUATION OF MIDDLE MANAGEMENT SKILLS  
IN A PRIVATE HEALTHCARE SERVICE IN THE  
WESTERN CAPE PROVINCE OF SOUTH AFRICA

Chilanga, C.

Mwanza, C.

Chingarande, G.R.

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**Abstract**

The objectives of this study were to evaluate middle management skills in a healthcare and identify which skills the managers deemed to be important and also assess the self efficacy of the managers in these skills. The study found that general managerial skills such as interpersonal relationships, patient management, quality management, leadership and human resources management were considered to be important by the middle managers. Furthermore, there is a skills deficit in financial management, niche marketing and risk management. It is concluded that although most hospital jobs are technical and specialized, it is important for those professionals that aspire to move into managerial positions to acquire managerial skills.

**Keywords:** Middle managers; managerial skills; healthcare; technical; human; conceptual.

## Introduction

Middle managers are positioned between top management and lower management in the organisational hierarchy and are therefore a crucial link between top executives and operational staff (Emberston 2006: 223-232). In healthcare organisations the position of the middle manager bridges the gap between the healthcare professional staff and clinicians on one hand and senior management on the other. According to Heizer and Render (2008:4), managerial roles performed by the middle managers ensure that the organisation's systems best meets the goals and demands of the organisation. Due to economic stresses, healthcare service delivery has shifted from professional to management (Baker 2001: 23-32; Emberston 2006: 223) such that importance is being placed more on organisational efficiency and cost effectiveness (Schwartz and Pogge 2000:187-192). In this regard, the skills required for middle managers in healthcare organisations to effectively and competently perform their management roles need to be investigated.

This research evaluates the middle manager's skills in a healthcare organization. The research analyses a privately owned healthcare service in the Western Cape Province in South Africa, the Private Healthcare Services. Bouwens and Van lent (2007: 475), has highlighted that, to encourage rapid and relevant decision making, current organisations are adapting organisational designs where authority of operations and strategy is assigned to middle managers. Due to the level of responsibility of the middle managers, possession of specific and essential management skills is required.

The Private Healthcare Service is one of South Africa's largest privately owned healthcare practices. The organization was established in the 1990's in the Western Cape Province in South Africa and has since grown to become one of South Africa's leading healthcare providers expanding to various locations within the country. As a strategy to effectively face challenges due to expansion, technological advancement and economical changes, the organization has introduced various positions of middle managers in its practices and sections of its practices. Middle managers are expected to possess specific skills that bring about organisational efficiency and superior organisational performance compared to its competitors.

## Research Problem

Managers at all management levels should possess a comprehensive set of skills and competencies that enable them to deal effectively with the forces which represent opportunities and threats to an organization (Stefl 2008:361). Middle management however has previously

been perceived as a layer of management whose primary role is to monitor activities of subordinates while reporting to upper management (Freed 2005: 96-118). Due to introductions of organisational restructuring such as hierarchy flattening, middle managers have been the target of elimination in most organisations (Caye, et al. 2010:9). The challenge is that middle managers manage organisations and are therefore expected to possess specific management skills, particularly in this current competitive market. Recent research has begun to re-evaluate the role of the middle managers in organisations including in the healthcare industry and suggests that their role goes beyond merely being a link between top management and employees (Emberston 2006: 223-232). Through possession of the management skills the middle managers should effectively manage their units and therefore increase the organization's performance. This research evaluates how the Middle Managers at the Private Healthcare Services identify with the middle management skills.

### **Research objectives**

- To evaluate middle management skills in a healthcare organization.
- To identify which middle management skills are considered by the middle managers to be relevant for the Private Healthcare Services units.
- To assess the Private Healthcare Services Middle managers' competencies in the management skills.

### **Research Methodology**

The study was a cross sectional survey that combined both quantitative and qualitative methodologies. In this study the population consisted of all middle managers of the Private Healthcare Services. A sampling frame consisting of all the middle managers in the various Private Healthcare Services hospitals was constructed. From this frame 30 middle managers were selected randomly. A questionnaire was sent to the selected managers using the "monkeysurveys" system. Monkey survey is an online survey tool that enables creation of online surveys or questionnaires. An internet created link is used to send the questionnaire to target sample group and responses are received by the researcher through the created link. Furthermore, 10 middle managers who were not selected for the questionnaire survey were also selected and interviewed.

The questionnaire had four sections. The first section (A) of the research was on demographics and included six closed ended questions to identify the demographic aspects of the respondents.

The demographic questions included:

- The location of the unit/units which each middle manager is managing.
- How long each middle manager has been in a middle management position.
- How long each middle manager has worked for the private healthcare organization in the current position.
- The management level of education of each middle manager.
- The area of management which was either clinical administrative, technical or other.
- The middle managers level of responsibility which was whether they managed a department, a whole practice or a provincial region of the Private Healthcare organization.

The second section (B) consisted of eight questions and measured the general management skills required for middle managers in the healthcare industry. All the questions in this section were close –ended and used the Likert scale. The respondents were expected to rate the importance of each general management skills in relation to a healthcare organisational. The rating was on a scale of 5 to 1 with Very important rated as a 5 and least important as a 1. The questions in this section covered general management, leadership, marketing, human resource management, financial management, operations management, risk management and information technology

The third section (C) consisted of eight closed ended questions and was in two parts. The first part analysed the competency of the middle managers against the middle management skills. The middle managers were expected to rate their competency against these skills. The rating was on a scale of 5 to 1 with very competent rated as a 5 and least competent as a 1. The second part analysed the relevance of the skills according to the middle managers. The middle managers were expected to rate the relevance of the management skills to the Private Healthcare Services and their units. The rating was on a scale of 5 to 1 with very relevant rated as a 5 and least relevant as a 1. The management skills analysed were financial management skills, operations management skill, human resources management skills, marketing management skills, risk management skills, Information management skills, quality management skills and patient management skills.

The final section (D) consisted of an open ended question and the middle managers were expected to identify at least two skills that were not included in the study which they perceived to be relevant for the Private Healthcare Services.

## Results

In the first leg of the online quantitative survey seventeen managers responded. This translates to 56.7% response rate. Managers from two provinces, namely Western Cape and Eastern Cape participated in the study. Five managers indicated that their area of responsibility is in Eastern Cape, 11 were from Western Cape and 1 indicated that he covers both Eastern Cape and Western Cape. Two (11.8%) of the seventeen managers have been in middle management for more than four years while twelve (70.6%) had two or less years experience as middle managers. The managers who participated in this study, therefore were in the main experienced and knowledgeable enough to give useful information on the skills needed by middle managers in an oncology department. Four of the managers have been in their current post for one year or less, compared to 8 who have been in the current post for more than five years, while only 2 have been in their current post for more than ten years. Ten of managers indicated that they were educated up to diploma level, while 3 were educated up to honours degree level and four had masters degrees.

### General Management Skills

The participants were asked to rate the importance of a number of general management skills on a scale of 1 to 5 with 1 representing extremely unimportant and 5 denoting very important. The middle point was three which was indicative of the neutral position. To evaluate the importance of each general management skill, one sample t test was applied to the data. A test value of 3 was chosen since 3 was representative of the neutral position. The results are presented in the table below.

Table I: Importance of managerial skills.

	Mean	F VALUE	P VALUE
Planning	4.69	14.100	.000
Coordination	4.19	6.333	.000
Technical	4.53	7.122	.000
Interpersonal	4.94	31.000	.000

Conceptual	4.62	13.000	.000
Time	4.81	17.985	.000
Decision making	4.94	31.000	.000
Problem solving	4.94	31.000	.000

The mean values for all the general management skills were above 4, and were all statistically significantly more than the test value at 0.05 significance level. The major import of this finding is that the participants were overwhelmingly of the view that all the general management skills listed were important. With mean values of 4.94 problem solving skills, interpersonal skills and decision making skills were rated to be the most important of the general management skills. In the qualitative study, the respondents opined that interpersonal skills and problem solving skills were very important for middle managers in the healthcare industry especially in hospitals. They also averred that decision making skills although important assume even greater significance with top management. These findings are in sync with the findings from the quantitative study.

### Leadership Skills

The importance of a given set of leadership skills was determined using one sample t test with a sample statistic of 3.

Visionary leadership was ranked the least important with a mean score of 3.88, while Emotional Intelligence was rated most important with a mean score of 4.81. All the leadership skills interrogated registered scores that were statistically significantly higher than the test value. Thus, the view of the respondents was that all leadership skills were important.

In the qualitative study the managers underscored the importance of emotional intelligence by stating that when the emotional intelligence is high then middle managers would spend less time on disturbance handling and other human relations issues and focus more on the organization's core business. There was also a confirmation of the view that visionary leadership and empowerment skills are not very important to middle managers. The reason proffered was that these two areas fall into the esoteric province of the top managers; since it is top management that can give direction and vision to the organization.

### Human Resource Management

Using a test statistic of 3, one sample t tests were conducted to establish to what extent the respondents considered various human resource management functions and skills important. The three most important skills were communication skills (mean =4.89), team building skills (mean=4.75) and staff development skills (mean =4.69). All the skills registered scores that were statistically significantly higher than the test value. This suggests that all the skills were deemed important by the respondents.

The interviews conducted validated the view that the managers regarded communication skills as the most valuable human resource. The location of the middle manager in the organogram is such that he has to interface with both the subordinates and also the top management. Hence, to effectively play this role the middle manager must have good communications skills. Motivation skills and performance management skills were regarded as having relatively little importance. It was argued that healthcare workers are naturally motivated by altruistic inclinations and therefore derive their motivation from the satisfaction of seeing positive outcomes in their patients. Given this inclination among the subordinates the middle manager need not have very developed performance management skills.

### Financial Management Skills

All the different dimensions of the financial management skill recorded statistically significant differences with the test. Furthermore, all the means were positive. Hence, the respondents opined that all these skill dimensions are important. Budgetary control was considered the most important. Additionally, the middle managers that participated in the qualitative survey were of the few that middle managers had limited input in the financial management of the hospitals. The role of the middle manager was very peripheral and was only substantial when it came to budget control. The day to day financial management needs of the organization were handled elsewhere. They also reported that the organization tended to centralize the financial management function leaving little scope for the middle manager's participation. Hence, in this setting middle managers did not need profound knowledge and well developed financial management skills.

### Operations Management

The skill to maintain standards was deemed to be the most important of all the operations management skills with a mean score of 4.81. This was followed by Lean management skills and

mastering new technologies with a mean of 4.56 each. All the dimensions were rated to be important.

In the qualitative study managers expressed the view that operations management skills were very important for the day to day functioning of their departments. Ultimately their responsibility is to deliver the expected results in their area of operations. Although clinical skills are important they are not mandatory as it is possible to lead a department as long as one has a good understanding of the operations and can tap into the knowledge and expertise of the subordinates. Knowledge of new technologies and new theories were cited as examples of skills that are gaining in importance due to the burgeoning influence of the knowledge economy of the healthcare industry. Increasingly organizations are competing on knowledge and technology, thus a middle manager should be strong on these skills.

### **Marketing Management**

Of all the skills, maintaining and achieving service quality was deemed to be the most important whereas niche marketing scored the least. All the skill dimensions were regarded to be of high importance as shown by the p values that were all significant at 0.05 significance level. The managers also expressed the view that marketing skills were not of great importance in the healthcare industry. There were a number of reasons for this view. Firstly, the managers highlighted that marketing of healthcare services was outlawed under the country's laws. Secondly, it was noted that what mattered more and attracted patients to the hospital was the hospital brand and not the individual department's marketing prowess.

### **Information Technology and Risk Management**

Two more skills were examined. These were information technology and risk management. Both these skills were regarded to be of high importance by the respondents. The scores for both were significantly different and higher than the set test score of 3 using one sample t test. Both information technology and risk management were viewed by the middle managers as specialized areas in management. The overriding opinion in the qualitative study was that a middle manager needs not be an expert in information technology and risk management but should have a good appreciation of these functions.



### Managerial Self Efficacy

The third section of the questionnaire asked the managers to indicate the extent to which they were competent in a number of skills. In essence this section measured the managers' managerial skills self efficacy. They scores ranged from 1 to 5 for each skill. One sample t test with a test value of 4 was conducted at 0.05 significance level. The test value 4 was selected because it represented the item "good" on the scale. The summary of the results is presented below.

TableII: Summary of managerial self efficacy of managers

	Mean	F Value	P Value
Financial Management	3.62	-1.695	.111
Operations Management	4.38	2.423	.029
HR Management	3.94	-.324	.751
Marketing Management	3.44	-3.093	.007
Risk Management	3.50	-2.739	.015
Information Technology	3.69	-2.076	.055
Quality Management	4.19	1.379	.188
Patient Management	4.19	.824	.423

The top scores were obtained for operations management (mean=4.38), patient management (mean=4.19) and quality management (mean=4.19) respectively. The lowest scores were recorded for marketing skills (mean=3.44), risk management (mean=3.50) and financial management skills (mean=3.62). An inspection of the F values reveals that for four of the skills viz financial management, Human resources management, marketing management and information technology the values were negative. This is suggestive of a skills gap in these managerial areas.

**Relevance of Skills**

Table III: Relevance of managerial skills.

	Mean	F Value	P Value
Financial Management	4.07	.322	.752
Operations Management	4.36	2.110	.055
HR Management	4.14	.694	.500
Marketing Management	3.71	-1.472	.165
Risk Management	3.86	-1.000	.336
Information Technology	3.79	-1.385	.189
Quality Management	4.50	3.606	.003
Patient Management	4.14	.618	.547

The Table III above is a summary of the one sample t test results for the relevance of each managerial skill to middle managers. The respondents were asked to indicate how relevant each skill was to them on a scale of 1 to 5; with 1 indicating very irrelevant, 4 representing relevant and 5 representing very relevant. Four was chosen as the test statistic because it is the threshold where the skill becomes relevant. The most relevant skill according to this sample of managers is quality management. This was closely followed by operations management skills, patient management and human resources management skills. The mean values for all the skills were above 4 except for information technology, marketing management and risk management. Only quality management skills and operations management skills receiving ratings that was statistically significantly higher than the test statistic.

In the qualitative study quality management and patient management received special mention. The middle managers expressed a view that these two skills were at the center of the success of the healthcare business and constituted critical success skills. It was underscored that competitive advantage could be derived from these skills. Hence, they are very important and relevant.

## Discussion

A skill is the ability to perform some specific behavioral task or the ability to perform some specific cognitive process that is functionally related to some particular task (Peterson 2004: 1297). Middle managers are responsible for a specific segment of an organisation and are positioned to manage and foster changes within the specified unit or department (Mullins 2007: 350). Middle managers therefore require specific management skills that can be used so as to bring out the viability and growth of the organisation. Mullins (2007: 350) has suggested that effective management performance of these comprehensive set of skills can create a productive alliance between the nature of and the demands of the environments in which an organisation operates, and the organisational culture and values and the resources that the organisation has at its disposal. To perform the managerial functions and roles efficiently a number of managerial skills are required.

Katz (1974: 90 -94), one of the early researchers of management competencies and skills found as early as the 70's that managers should possess critical management skills. According to Katz (1974: 90 -94) these skills are conceptual skills, human relationship skill and technical skills. A conceptual skill is the ability to think analytically and to solve complex problems Hellriegel et al. (2007:17). According to Hellriegel et al. (2007:17), this entails the ability to break down problems into their constituent parts and recognise the implication of one problem to another, "the ability to see the big picture". Conceptual skills therefore require knowledge of how each part of the organisation interrelates and contributes to the overall objectives of the organisation. Ivancevich and Matteson (1999: 51) add that conceptual skills enable managers to process information about the internal and external environment of the organisation and decisions have to be made on how to use this information. In this regard, Ivancevich and Matteson (1999: 51) argue that this skill should therefore mainly be utilised by top management who are always engaged in monitoring the business environment. However the role of the middle manager in organisations is changing. In healthcare organisations, research has shown that middle managers are key agents in organisational change and crucial in facilitating of improved organisational performance (Embertson 2006: 223-232). Kanter (2004: 1-16) emphasise that middle managers are crucial in bringing innovation to an organisation and foreseeing successful implementation of change. Improving organisational performance and organisational change requires conceptual skills. This study established that the middle managers in this sample rated conceptual skills,

decision making skills and problem solving skills as very important to their work. This illustrates the ever increasing importance of conceptual skills to the job of the middle manager as posited by Northouse, (2010:64-65) who suggests that these skills are still important for middle managers.

### **Human skills or interpersonal skills**

Human or interpersonal skills are the ability to direct others, motivate, communicate and delegate (Hellriegel et al. 2007:13). In most organisations human or interpersonal skills manifest themselves as enthusiasm, trust and genuine involvement in interpersonal relationships. According to Hellriegel et al. (2007:13), human skills are vital to managers at all management levels as the major role of all managers is to get work done through people. Katz (1974: 90 -94) point out that human skill involves interacting with others effectively and is important for middle managers. In their study on the Knowledge Skills and Abilities (KSA s) required for healthcare managers Stefl (2008:360 -375) have also identified human skills such as communication and relationship management as essential skills for healthcare middle managers. The findings of the current study lend support to this view as the middle managers rated interpersonal skills as both relevant and important.

### **Quality Improvement skills**

Quality improvement has also become an important topic in healthcare services. Quality improvement involves activities which measure performance, identify opportunities for the improvement in the delivery of care and services and include action and follow up. According to Leebov and Ersoz (2003: 1-10), healthcare organisations are increasing embracing continuous quality improvement as an essential object at all levels of the healthcare organisation. To benefit their organisations healthcare managers should therefore incorporate in to their daily work a system for continuous improvement. Middle managers have a vital role to play in introduction and development of quality improvement programmes in their organisation and therefore important for them to have skills in this area.

Healthcare organisations will always have the patient at heart and as their main customer. (Wagner et al. 2005:7-15) describes patient centricity as a shift from a focus on the disease to the patient's feelings and experience due to the illness or from the disease to the patient as a whole. According to Silow-Carrol, Alteras and Stepnick (2006:3), most global healthcare organisations are now shifting from a professional driven approach to one that is patient centered. This stems

from a growing recognition that incorporating an individual patient's perspective and greater involvement in the patient's care results in better healthcare outcome and satisfaction (Silow-Carrol, Alteras and Stepnick 2006:3). The current study shows that middle managers consider both patient management skills and quality management to be important and relevant.

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