

Time-Honoured Management Principles of Organizing in Private Hospitals in Enugu State, Nigeria

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Abstract

This study focuses on the implementation of time-honoured management principles of organizing in private hospitals in Enugu State, as a way of effectively manage private hospitals and ensuring that adequate and timely health care services are provided to the citizenry of Enugu State. The study examined the organizational structures of private hospitals with a view to determining their extent of conformity with time-honoured management principles of organizing. The null hypothesis was formulated as, “there is no non-conformity of organizational structures of private hospitals with established management principles of organizing”. To achieve the objective of this study, the survey research design was adopted, where the simple random sampling technique was used in the selection of sampling units and the data collected were presented descriptively. The hypothesis statement was tested with Chi-Square test statistic, which gave chi-square result of $30.03 > X^2$ critical 26.296. Hence, the null hypothesis was rejected, indicating that organizational structures of private hospitals in Enugu State are being operated not in conformity with established management principles of organizing. The study concluded by pointing out the need to ensure the implementation of organizational structures that conform with established management principles of organizing, particularly the time-honoured management principle of organizing and the need to penalize defaulting hospitals, whether big or small.

Keywords: Time-Honoured, Management, Private Hospitals, Nigeria

1.0 Introduction

Provision of adequate health services for the entire citizenry is one of the priorities of the government. Good health not only transcends physical fitness, but it also includes adequate nutrition, high life expectancy, low mortality rate low incidence of epidemics and diseases (Obada, 2001:12). Prior to the 1980s, the Nigeria’s health sector was characterized by deficiencies, such as inadequate number of hospitals in the country, due to very little participation of private sector in the provision of health services in the country. Thus health services were grossly inadequate (Ugbaja, 2000:21). In pursuant to this, the Federal Government in October 1998 organized a national conference on provision of improved health and medical services in the country, where it was decided that the government should encourage increased private sector participation in the provision of health services in the country (FMH, 1989:18). This has since led to the springing up of private hospitals in Nigeria, Enugu State being no exception, both in the urban and rural areas. A 2002 survey carried out by the Enugu State Ministry of Health revealed that no less than eighty-two (82) registered private hospitals existed in Enugu metropolis and thirty-one (31) in Nsukka (Edozie, 1992:32).

Managing private hospitals is much more than giving prompt attention to patients. It requires adequate planning, organizing, supervising/controlling and coordinating various activities of the staff. It is only when these are effectively carried out that their services can be optimal. Unfortunately, most of these hospitals appear to be run by medical officers with very little experience in management, thereby leaving management of these private hospitals to chance. This leaves the question on how effective management function of organizing is in these private hospitals.

In view of the foregoing hopes to examine the organizational structures of private hospitals with a view to determining their extent of conformity with time-honoured management principles of organizing.

2.0 The Concept of Management

Management is a generic term which means it can be viewed from different ways. It can be considered as a process, as a body of professionals, as an art, as a science and as an academic discipline. Management as a process is seen by Akpala (1990:2-3) as a way of combining and utilizing organizational resources towards the achievement of the common or organized objectives. This implies that management as a process involves the allocation of an organizational inputs (men, materials and money) by planning, organizing, directing and controlling for the purpose of producing outputs (goods and services) desired by customers so that the organizational objectives are accomplished. Imaga (2001:2) sees management as a fundamental integrating process aimed at achieving desired results in the organization; hence, managers plan, organize, direct and coordinate all resources of the organization through people.

Osisoma (1995:209) sees management as a process essentially concerned with planning and controlling of the resources of an organization for the purpose of attaining set objectives. Invariably, it is a derived mission from the corporate purpose. He further stated that the direction of management reflects a series of purposeful actions (1995:209). This means that management is a process of getting things done through the utilization of resources and the resources have been identified to include human, finance and material assets of an organization.

From these, it can be seen that managerial action can direct and control to a great extent the mature, degree and pace of change occurring within the organization. Furthermore, as a body of professionals, management can be described as a group of high-level manpower constituted in an organization and charged with the responsibility of making quality decisions. In all, management of hospitals is seen as the process of combining and utilizing the human and material resources in hospitals by the persons responsible for running of the hospitals to render medical and health services to patients. In doing this, management has to plan, organize, direct control and coordinate the activities of doctors, nurses and other personnel in order to achieve desired results (Alochukwu, 1998:8).

3.0 The Principles of Management

Management is the process through which efforts of members of organizations are coordinated, directed and guided towards the achievement of organizational goals. Fayol (1949) suggests that a set of well-established principles would help concentrate general discussion on management theory. He affirms that these principles must be flexible and adaptable to changing circumstances. Fayol recognizes that there was no limit to the principles of management but in his writing advocated fourteen (14) of them. Some of these principles are as follows:

Unity of Command: This principle asserts that no employee should serve two superiors at the same time. The essence is to avoid the problem of subordinate getting conflicting commands on the same subject from different superiors (Unamka and Ewurum; 1995:78).

Span of control: This principle implies that there is a limit to the number of subordinates who should report to a superior, since the superior has a limited amount of time, energy and attention to devote to this work (Unamka and Ewurum, 1995:78). In hospital management, this principle also upholds given that there are relatively few number of staff who are effectively controlled by the managing or medical director.

The Scalar Principle: This is also known as chain of command principle. This principle prescribes that authority and responsibility should flow in a continuous line from the highest person in an organization to the lowest. In the opinion of Olakunori (1994:121) there must be a clear line of authority running from the highest to the lowest personnel in the organization. In private hospitals, this principle also applies with the line from the managing or medical director to cleaners and even messengers. To be effective in supervising his staff, the medical director needs both authority and responsibility.

Decentralization: This principle emphasizes the moving of decisionmaking to subordinates in an organization. According to Olakunori (1994:122), this means establishing subunits in an organization and giving the unit heads considerable autonomy in decision making. In large private hospitals, this principle applies in the various departments. But this may be difficult to apply in small private hospitals with no clear distinct departments (Aria; 1989:7).

Division of Labour: This is also known as the principle of specialization. Ugbaja (1997:65) reveals that this principle asserts that each employee should concentrate on the performance of a particular function in which he possesses the skill. It promotes efficiency and increases productivity since it permits an organizational member to work in a limited area and reduces the scope of the job.

Parity of Authority and Responsibility: Akpala (1990:75) points out that authority should be commensurate to responsibility; it should not be greater or less than responsibility. However, Manathan (2005) reveals that although the principle is a necessary one for effective and efficient performance, its problem is that there is no measurable standard for assessing the parity of authority and responsibility.

4.0 Private Hospital Management in Nigeria

4.1 National Policy on Private Hospital Management in Nigeria

In a national health policy statement proclaimed by Ransome-Kuti (1989:2), it was stated that as at mid-1989, Nigeria had about 21,739 qualified medical practitioners, 80,186 qualified nurses, 62,386 registered midwives, 1,335 qualified dentists, 620 radiographers and 4,118 medical laboratory technologists to manage 14,351 hospitals with about 91,246 beds. This portrays overall insufficiency of medical services in the country. This situation was as a result of low participation of the private sector in the health sector.

In recognition of this problem, the Federal Ministry of health organized a national conference in 1989 which sought, among other things, how to increase private participation in health services in Nigeria. As revealed by

Ransome-Kuti (1989:1) participants examined the degree of insufficiency of medical and health services and called on the federal government, in their communiqué, to create an enabling environment for increased participation of the private sector in the provision of health and medical services in the country. This means that the government should come up with a clear blue-print on how qualified medical doctors who wish to establish and manage their own hospitals either as sole proprietorship or partnership, could do so.

Aminu (1993:14) reveals that the Nigerian national policy health has since 1989 provided for establishment and management of private hospitals in Nigeria within operational framework provided by the Federal Ministry of health. He maintains that all qualified medical doctors who wish to establish their own private hospitals should;

- i. Apply to the federal ministry of health to be registered
- ii. Submit his/her qualifications along with the application
- iii. Specify area of specialization in medicine
- iv. Indicate intended place of practice, and
- v. Have experience in medical profession

After the perusal and the federal ministry of health certify that the applicant is qualified for practice, it will then issue a license and register the name of the hospital. In his evaluation of the performance of the private hospitals in Nigeria, Osadebe (2006:6) observes that no matter that their service charges are relatively higher than what is obtainable in government-owned hospitals, they render prompt and efficient services to patients especially if such hospitals are adequately equipped with medical and laboratory facilities. Osadebe (2006) then calls on the federal government to constantly monitor and appraise the standard of these hospitals with a view to de-registering those ones that do not meet certain standard.

4.2 Management Structure of Private Hospitals

Like every organization, the management structure of private hospitals show the usual hierarch or levels of management. However, before a meaningful analysis can be made here, it is pertinent to distinguish between small, medium and large-scale private hospitals. Adefarati (2007) believes that the small-size private hospitals is characterized by the following;

- i. It is established and run by its owner who is usually the medical director
- ii. The medical director may be assisted by another doctor he employs
- iii. It usually lacks laboratory facilities
- iv. It may have up to four or five nurses and midwives
- v. Accommodation is usually on apartment (usually in flat) and
- vi. All employees are personally known to the medical director who supervises them

Then, the medium-size private hospitals represent an increase in the number of staff, size of accommodation and moderate medical facilities. It may also be a partnership. The large private hospitals are much the same as government hospitals but not in terms of size, number of employees and available facilities but in organizational and management structure.

In small-sized hospitals, like other sole proprietorship firms, there is usually the medical director who constitutes the entire management. In this regard, Aboderin (2001:9) reveals that there are no levels of management. Rather, there is a single hierarchy of personnel with the MD at the top. Others are subordinates ranging from employed doctor(s), through nurses to a clerk and cleaner.

In case of medium-sized private hospitals, the MD is also at the top of one or two-man management team. Decision making lies in the hand of this management team and just like in the sole proprietorship type of private hospital, the MD tops the hierarchy followed by other staff in a hierarchy similar to those of the small size hospitals.

The management structure of large-sized hospitals is much more pronounced as in other corporate businesses. This is because of departmentation of the hospital. According to Akpala (1990:64) functional departmentation is found in hospitals and universities. A head is assigned to each of the functional units or sections or departments. Thus, in departmentalized hospitals such departments include medicine and surgery, pharmacy, accounts, haematology, personnel and administration etc. Thus, authority downwards from the top management to the lower management (made up of heads of the subunits) and down through their subordinates down to the most junior staff.

5.0 Methodology

The descriptive survey research method was adopted in this study. Data was collected with the aid of a survey instrument- questionnaire-that was administered on a sample of private hospitals which participated in the study. The simple random sampling technique was used in the selection of the sampling units. Applying the Taro Yameme's (1964:260) sampling technique, a sample size of three hundred and sixty (360) private hospital proprietors out of a population of three thousand, six hundred and twenty seven (3627) in Enugu State (FMH, 2003) was determined. The tables below are quite instructive in service by respondents.

Table 1.0: Questionnaire distribution

S/N	Questionnaire	No of Respondents	Percentage
1	Not returned	20	5.5
2	Incorrectly filled	20	5.5
3	Returned	320	89.0
	Total	360	100.0

Source: From the questionnaire administration 2013

From the table 1, it shows that from the three hundred and sixty (360) copies of questionnaire distributed to respondents. Three Hundred and twenty (320) copies of questionnaire were returned and this represent eighty-nine (89) percent response rate. Twenty (20) copies of questionnaire were not returned and twenty (20) copies of questionnaire were incorrectly filled. This represents 5.5% respectively.

Table 2: No of years in service by respondents

Responses (year)	Frequency	Percentage
1-5	40	12.5
6-10	60	18.8
11-15	210	65.6
16-20	10	3.1
Total	320	100.0

Source: Field Survey, 2013

Table 2 presents respondents' length of service. It shows that forty (40) respondents have been in service from one (1) to five (5) years. This represents 12.5% of respondents. Sixty (60) respondents have been in service between six (6) to ten (10) years. This represents 18.8% of the total respondents. It was revealed from the table that two hundred and ten (210) respondents have been in service between eleven (11) to fifteen (15) years. This represents 65.6% of the total respondents while ten (10) respondents have been in service between sixteen (16) to twenty (20) years. This represents 3.1% of the total respondents

Table 3.0: Qualification of the Respondents

Responses	Frequency	Percentage
MB.BS	200	62.5
MB.BS, PGD	42	13.1
MB.BS, MPH	78	24.4
Total	320	100.0

Source: Field Survey, 2013

Table 3 presents the educational qualifications of respondents. It shows that two hundred (200) respondents have MBBS degree. This represents 62.5% of total respondents. Forty-two (42) respondents have MBBS and PGD. This represents 13.1% of the total respondents and seventy-eight (78) respondents have MBBS and MPH. This represents 24.4% of the total respondents.

TABLE 4.0: Conformity of organizational structure with management principles

Responses	Frequency	Percentage
Strongly Agree	10	3.1
Agree	15	4.7
No Opinion	20	6.25
Disagree	260	78.1
Strongly Disagree	15	4.7
Total	320	100.0

Source: Field Survey, 2013

From table 4, it was revealed that ten (10) strongly agreed that there is conformity of organizational structure

with management principles in private hospitals. This represents 3.1% of respondents. Fifteen (15) respondents agree that there is conformity of organizational structure with management principles in private hospitals. This represented 4.7% of respondents. Twenty (20) respondents expressed no opinion that there is conformity of organizational structure with management principles in private hospitals. This represented 6.25% of the total sample. Two Hundred and Sixty (260) respondents disagreed that there is conformity of organizational structure with management principles in private hospitals. This represented 78.1% of the total sample. Lastly, fifteen (15) strongly disagreed that there is conformity of organizational structure with management principles in private hospitals and this represented 4.7% of the total respondents.

6.0 Discussion of Findings

Out of the three hundred and sixty (360) copies of the questionnaire that were administered, three hundred and twenty (320) copies were correctly filled and returned. Out of these, only 78 respondents (24.4%) had additional higher medical qualifications, 128 respondents (60%) were medical directors and 210 respondents (65.7%) had at least 11 years service in hospitals. Furthermore, results from the study showed that the organization structure of most of the private hospitals were not in conformity with management principles. This was evident in the data collected were only 15 respondents (4.7%) agreed that the organizational structure of their hospitals were in conformity with the management principles while the remaining 260 respondents (81.3%) strongly disagreed. To further determine the strength and significance of this finding, the null hypothesis statement, that there is no non-conformity of organizational structures of private hospitals with established management principles of organizing was tested using chi-square statistical test. With a test result of $X^2_{\text{calculated}} = 36.03 > X^2_{\text{critical}} = 26.296$, the null hypothesis was rejected and the alternative was accepted. Hence, there is non-conformity of organizational structures of private hospitals with established management principles of organizing. This finding was consistent with the findings of Okonwko (1999), Ayo (1998 and Akwuba (2000).

With regards to departmentalization, less than half of the respondents from the sampled hospitals indicated that their hospitals were departmentalized with an appropriate staff heading each functional department. More than half indicated that theirs were not departmentalized with duties generally performed by the doctor with a few staff. The evidence suggests that although few hospitals had departmentalized structure, most of the hospitals did not. Thus, the organizational structure of most of the hospitals could not be said to conform with established management principles of organizing which among other things entailed departmentalization and division of labour. Hence, organizing is concerned with combining people, work to be done and physical factors into meaningful structure that will contribute to the achievement of these goals. Any observed difference is due to chance. This finding conforms to Akpala (1990) who said that hierarchy in organizations; make superior subordinate relationship at work, thus giving rise to superiors directing their subordinate to do the tasks assigned to them. This was the most significant factor in achieving the goal of setting up private hospitals. The work of Adefarati (2001) on structuring of large private hospitals in terms of organizational and management structures also agreed with the findings of this work. Nevertheless, in view of the growth in the sizes of these private hospitals, there is reason to expect, as McArthur (2000) indicated that these private hospitals would be structured hierarchically as in government hospitals. However, Aboderin (2001) revealed that there are no levels of management in private hospitals.

7.0 Conclusion

The proliferation of private hospitals in Enugu is to ensure the provision of adequate and timely health care services to the populace of Enugu citizenry. This is in an effort to complement the services of government towards provision of health-care services. However, for these private hospitals to be able to offer effective and timely services, they have to be properly managed and organized. The organizing of any process was instituted. Laid down principles and theories of organizing have been proven overtime to have significant impact in organizing processes. Furthermore, findings from this study showed that time-honoured management principles of organizing, particular, is very vital in the successful health care service delivery by private hospitals to Enugu citizenry. Therefore, the Enugu State Ministry of Health should ensure that all functional private hospitals, whether big or small, in Enugu State have benchmark with which there adoption of this principle of organizing is ensured. Hospitals that are lacking should be penalized and in extreme cases have their licenses revoked. However, health care delivery is not the sole responsibility of the private hospitals, as it is primarily, the responsibility of the public sector. Thus, the public hospitals should also ensure the adoption and implementation of time-honoured management principles of organizing. This will impact the health of the citizen and enhance their active participation in the economic and social affairs of the state.

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