Integrated Managerial Training:
A Program for Strategic Management Development

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The notion of strategic training is premised upon the idea that organized develop-
mental activities must be directly linked to the mission or the core business of the orga-
nization. This article presents a case study of a managerial training program imple-
mented in a large nonprofit organization. The training program encouraged dialogue
among managers of different hierarchical levels with different areas of expertise, to
help improve the processes of vertical and horizontal integration required for effective
performance. The program enabled participants to link their local decisions and daily
operations to the broader organizational mission, consequently improving organiza-
tional effectiveness and learning. This paper suggests that human resource managers
and trainers can enhance the effectiveness of managerial training programs by making
a conscious effort to provide opportunities for horizontal and vertical integration
within the training experience, independent of the content areas addressed in the
program. Some of the consequences of implementing this approach include a more
open and expanded communications process, the generation of professional attach-
ments, bonding between members of the managerial team, and better coordination of
services among participants from the various hierarchical levels and functional areas.

Introduction

Managerial training programs that are designed to include individuals
from various organizational levels and functions represent a strategic
asset to the organization. They are strategic because they help develop
mechanisms to support horizontal and vertical integration in the organi-
zation. This training is particularly critical when managerial performance
takes place in organizational contexts characterized by highly differenti-
ated and complex structures, as is the case with health care
organizations. Hospitals are usually organized around an elaborate divi-
sion of labor represented in delineated jobs, levels of supervision, and a
high degree of functional specialization in departments and specialties.
Delivering quality care in this complex organization requires managing
tasks and resources across horizontal and vertical boundaries.

In general the training literature in health care settings tends to explore
only one of the two types of integration (horizontal or vertical), rather
than both. The importance of upper level management commitment and
the advantages of integrating supervisors in the training process[1] to

ensure training program success[2,3] are the most common references to vertical integration of participants currently discussed in the literature. Team training[4,5] and cross training[6,7] represent the most typical references to horizontal integration.

Discussions of training approaches that emphasize the need for both horizontal and vertical integration of participants are more scarce but do exist. The training literature in health care settings has illustrated the impact of these types of training efforts in the context of quality programs. Needham argues that bringing employees from different departments and different levels together to share concerns fosters the spirit of cooperation required to ensure the quality of care for customers. Similarly, Roethenber and Drye[8] describe a case where training of a quality assurance team took place across levels and departments, bringing down barriers and improving the organizational operations. These studies, however, do not highlight the connection between participant integration during training and the organizational requirement (structural adjustment) for horizontal and vertical integration, given particular levels of differentiation.[9]

This article presents a case study of a managerial training program implemented in a large urban hospital. It illustrates the advantages of considering managerial trainees as interdependent members of an open and complex system geared toward accomplishing health care results.[10] The case describes how a carefully crafted learning experience, which encouraged dialogue among managers of different hierarchical levels and with different areas of expertise, helped improve the processes of vertical and horizontal integration required for effective organizational performance. The main argument of this article is that this type of training program is effective because a dialogue across hierarchical and functional boundaries increases the chances of applying the knowledge with a strategic perspective when managers re-enter their work setting. This perspective enables participants to link their local decisions and daily operations to the broader organizational mission, thereby, improving organizational effectiveness and learning. To develop this argument, the paper first introduces the setting of the case study and the training program. It then provides illustrations of how the training impacted vertical and horizontal integration in the organization. Finally, it explores the theoretical and practical implications of promoting an integrated approach to strategic managerial training in the health care sector.

Setting and Training Program

The training program was introduced in a large, nonprofit, private community hospital servicing residents of low income neighborhoods in New York City. An integral component of the hospital's mission was to

provide quality services to the community, regardless of an individuals' ability to pay. At the same time, decision makers were determined to attract a population of financially solvent clients who would see the hospital as their preferred health care alternative. Both populations were considered vital for the hospital's survival within the parameters of its mission. Accordingly, the training program was conceived as a tool to reinforce an organizational culture that would promote a high level of performance and quality service for new and existing clients.

The idea for a managerial training program emerged as the hospital was undergoing a critical period of change. It had recently moved to its new state-of-the-art facility. The changes also included the introduction of computing technology, which was expected to help improve managerial decision making and the efficiency of operations. In this context the hospital's decision makers saw the advantages of a managerial training program, which would be responsive to the strategic requirements of the organization and the needs of hospital's managers.

Two management consultants were responsible for planning, implementing, and evaluating the program. However, constant interaction with the executive level and the human resources management division took place throughout the process. The program design was based on the premise that organizational training must be framed in a systematic analysis of the intended effects they will have on the organization.[11] The *planning* stage included three activities: needs assessment and organizational diagnosis; the development of a conceptual framework; and the design of the curriculum. In-depth interviews with selected employees at the executive, managerial, and pre-managerial levels provided the basis for the needs assessment and organizational diagnosis.

The consultant identified the problems and opportunities the hospital faced. Then they formulated the desired training effects in the context of the organization's needs for adaptation, socialization, production, and coordination.[12] A pilot of the training program was presented to the executive level of the hospital. Upon discussion, adjustment, and final approval the senior team invited 17 program participants from middle level managers who represented different departments of the hospital.

In the *implementation* phase, a forty hour managerial training program was conducted over a six week period. This design allowed for optimal transfer of learning from the classroom to the work environment. The program included four modules delivered in a total of eight, three-hour sessions. A preliminary computer literacy session took place before the program started. Finally, to provide closure, trainees participated in a full day debriefing session, three weeks after the program ended.

The *evaluation* of the training program focused on three areas of interest: participants' reactions to the program; learning of the content; and

changes in performance. Formative and summative assessment instruments included participant questionnaires; direct interviews; a written questionnaire by the trainers at the end of the program; and an open-ended questionnaire in diary form, which was completed by the participants' supervisors at the end of the program. Finally, a retrospective evaluation consisting of a group interview with participants was conducted two years after the completion of the program. Its purpose was to evaluate the long term effectiveness of the program's impact on work performance and career mobility as perceived by participants.

The Program in Action

The uniqueness of the program arose from the synergy generated by opportunities for information exchange among participants who belonged to various levels and units of the organization. This dialogue became an effective mechanism to develop horizontal and vertical integration. Four conditions helped lay the ground work for effective horizontal and vertical integration:

1. High level of involvement and commitment of senior management, and of trainee supervisors in particular. A sense of pride and safety was generated among participants, which facilitated an effective vertical dialogue. Participants felt that they were chosen because they were viewed as having potential, not because they were viewed as having problems.

2. The definition of participation in the program as a positive opportunity resulted in effective recruitment of a group of participants from all programmatic areas in the hospital. The participants were committed to the mission and believed in the training program. They exhibited a high degree of intellectual curiosity and a clear desire of wanting to work together.

3. The conceptualization of the training program as part of a broader developmental policy for the hospital, rather than as a one-shot response to immediate individual needs, resulted in the identification of common threads or themes independent of specific content for each training session and independent of participants' location within the hospital's structure.

4. Developing the program with a conceptual framework that linked strategic needs at the organizational level with individual training needs of participants. The criteria for design, implementation, and evaluation consisted of using an organizational point of reference while searching for practical ways to address personal skill building needs of participants.

Horizontal Integration

The training program included managers who represented the different specialized areas and units of the hospital. This promoted a dialogue among individuals who had different responsibilities and therefore had different points of view about effective solutions. As people with different goals, values, backgrounds, and levels of expertise took part in the training, "a mini-health care team" was replicated in the class room. Horizontal integration within managerial training provided an opportunity for managers to see each other's point of view. This created fundamental understanding of how all roles work together to accomplish the mission.

Participants started sharing problems and solutions to situations using a broader and more systemic perspective than before the training. For example, during discussions, the group identified a conflict between the nurses' concerns in the emergency room and the concerns of social services staff. Both dealt with the managed care concept of the prompt discharge of cases. Discussing the situation from two different points of view helped the group understand the dynamics and complexity of the issue.

Participants started valuing the opportunity to examine specialized problems in an interdisciplinary context, which produced innovative solutions. For example, the director of Pharmacy wanted to use the training program to make his unit employees aware of their role as part of the hospital team. Pharmacy was indeed viewed by other departments as an isolated unit concerned exclusively with medication dispensation. Consequently, each member of the training team then brainstormed on ways to make Pharmacy more supportive of other departments' tasks. Suggestions included: preparation of new drug fact sheets to keep other staff units informed and organizing short meeting sessions to explain the implications of the use of new drugs. The collective discussion of problems and the search for satisfactory solutions helped managers to identify themselves as part of a team with common goals. Horizontal integration provided a multidisciplinary approach to managerial problem solving.

Vertical Integration

The training program targeted middle level managers, but input from other managerial levels in its planning, implementation, and evaluation stages was also included. In addition to interviewing selected members of the executive level during the diagnosis stage, the entire executive team was invited to react to a presentation of the first draft of the program design. The program was modified based on this input. This represented an opportunity for senior management to guide the learning process. It also ensured total commitment of the highest managerial level to the program. Another example of integration was designing a session to offer the trainees a direct opportunity to have a dialogue with the

hospital's president. This session took place toward the end of the program when the group was discussing issues of strategy.

The trainer's pedagogical approach also contributed to the development of vertical integration. One technique used asked the participants to take the material back to their work sites after every session and share it with supervisors and colleagues. Time was allotted at the beginning of the next session to discuss the results of these experiments. Subordinates became indirectly involved as trainees tried new things in their units. This type of downward link was not totally developed, since there was no systematic dialogue between the trainee and his or her subordinate regarding the training experience.

Ultimately the most successful aspect of the program was the direct involvement of the trainees' immediate supervisors during the evaluation phase. Toward the end of the program each supervisor was asked to observe the trainees and to answer a questionnaire describing the changes they had observed since the program started. The questionnaire generated an interesting organizational dynamic by motivating supervisors to pay more direct attention to the trainees within the context of their work. In retrospect, one may argue that this process should have started earlier in the training program. But supervisor involvement from the beginning could put undue pressure on trainees to change or act differently too soon, which could damage the training process. The trainee may feel threatened or pressured by a supervisor's attention precisely at a time when he or she should feel safe to take the risks associated with effective learning. The success of training strategies of vertical integration is premised on the existence of a positive performance management culture in the organization. Supervisor observation of trainee behavior must be understood, not as an assessment of the trainee, but as an assessment of the training program.

Participants' Perception of the Program's Impacts

Systematic data collected during and after the program indicated that the program enhanced coordination among departments, interpersonal and organizational communication, and promoted a strategic approach within the managerial group. First, participants reported a sense of improvement in their leadership style and the ways they approached problems. Second, they reported an increased awareness of their personal weaknesses and how to address them constructively. Finally, they broadened the perception and self-awareness of their roles as manager.

The findings also indicated evidence of skill development in computer and HRM areas. For example, the trainees reported lower levels of computer anxiety and higher levels of comfort with computer use; they also reported a better understanding of the links between computer work and managerial tasks. In the HRM area, there was increase in

trainee initiative to try motivational techniques with their staff, changes in the handling of difficult employees, behavioral changes around "change situations," and team building skill development. In addition, there was an increased participant awareness about the impact of activities on the quality of service delivered. The participants had a greater appreciation for other departments in the hospital as internal customers. They paid closer attention to the patients in their role as external customers. And finally, there was an increase in dialogue between the managers of different departments.

The follow-up interviews with training program participants indicated that the program's positive effects continued after completion. Participants were asked to reflect upon the potential effects of the vertical and horizontal integration. Two findings reinforced the positive effects of this integration: one was the effect of the program on the relationship between the participants and their supervisors, and the other was the continuation of the team meetings after the training was over. Most program participants indicated that their relationship with their supervisor was strengthened after the training program. This is in part because the supervisors approached the training program in a very positive light, and those who were chosen to participate viewed it as an honor.

For many participants, however, the highest achievement of the training program was the creation and maintenance of the managerial team. Its members feel they now have a more legitimate forum to communicate with hospital decision makers at the executive level. The team indeed has provided feedback to the hospital's leadership. The managerial team is now used as the place where individual and unit problems get discussed and assessed to see if they are worth passing to higher levels. Examples of the activities conducted by this team include monthly meetings, bringing guest lecturers, engaging in systematic problem solving efforts, and initiating formal communication with other levels of decision makers to bring attention to specific organizational issues. Participants also indicated that the training promoted a systemic view of their work, which they had lacked. Evidence of this view is the decision to continue working as a team after the completion of the training program.

Lessons Learned: Theoretical and Practical Implications

The existence of "messy problems" in the context of health care delivery dictates complex organizational designs. Mission complexity has resulted in an elaborate division of labor that characterizes large organizations such as hospitals. An unintended consequence of the resulting specialization is fragmentation. Fragmentation manifests itself in a tendency to let sub-system level goals displace global organizational goals (as well as creating inter-unit conflicts).

One of the important challenges of organizational design consists of creating the appropriate mechanisms to reduce conflict and to promote the flow of information across organizational units, professional specialties, and organizational layers with competing interests[13]. The success of the managerial training program at the hospital suggests that training itself can become an important formal organizational device to promote the required degree of integration across functional units and among members of the chain of command. Managerial training can contribute to reducing conflict and competition and can promote a perspective to problem solving that is organizational rather than departmental or hierarchical.

Using training in this capacity represents a strategic approach because it immediately connects the training goals with the organizational goals and mission. This paper proposes that the inclusion of managers from different functional areas in a training program and the formal promotion discussion among individuals located in different levels of the hierarchy has strategic significance, even if there are no apparent problems of coordination in the organization. The demands of complex operations often forces employees to put aside the broader picture as they are solving an immediate problem. Managerial training that promotes a systematic exchange of diverse points of view can enhance the systemic view required for organizational members to move from a narrow focus to strategic thinking.

Training program designers must deliberately develop opportunities for vertical and horizontal integration as part of their training agenda, independent of content areas. The ultimate goal is to develop a multidisciplinary approach to the learning experience, as participants with different goals, values, backgrounds, and levels of expertise engage in the discussion of managerial and organizational problems identified as the curriculum unfolds. Training becomes strategic when it promotes a developmental culture in the organization—one where supervisors, subordinates, and colleagues work together to convert every work situation into an opportunity to learn. Training programs, therefore, must incorporate mechanisms that help reproduce the learning environment on a daily basis at the work place. For this to happen, the training program must help trainees develop sustained vertical and horizontal interactions during the formal training. Learning will occur at the point where opportunities for exchange develop between those occupying lateral, top, and subordinate roles to the trainees.

While opportunities for horizontal interaction are constant, given the composition of the group, opportunities for vertical interaction require targeted efforts to ensure their occurrence. An example is a one hour discussion planned between the hospital President and the group of trainees toward the end of the training program. The trainees asked the

President questions about relevant managerial issues based on the concepts and ideas that had been covered during the training sessions. The candid responses from the President provided the trainees with a point of view that they might not have had an opportunity to consider in their daily routines.

A more sustained way of providing opportunities for vertical integration consists of involving the trainee supervisors in the program and providing them with tools to become partners of the learning process during and after the program is over. However, this will only work if supervisors view this approach not as an additional burden on their busy schedules, but as an opportunity to make their work easier. If the topic of the training activity is effective communication techniques, the learning impact can be largely enhanced by sending the supervisor a friendly-user list of "critical questions to consider about communication outcomes." This outreach effort provides direct value to the supervisor by offering some pointers to make his or her job easier, while at the same time offering clear information about what the trainee is learning away from work. The effort is cost-effective, and it will help the trainee reinforce the learning by increasing the probability that he or she can connect it to daily work. An additional effect is that the tool represents a way to expand training program impact vertically, by reaching the supervisor in a meaningful way, and horizontally by reaching the supervisor's other subordinates who are the participant's peers.

These outreach efforts can also result in extending the formal training experiences to on-the job training, as the supervisor usually assigns activities to fulfill such developmental activity. Designing in-class exercises that use real situations from the participant's work context and encouraging the trainee to share them with the supervisor, for example, can be a low-cost training strategy, which benefits both the supervisor and the trainee. They can also engage in a productive discussion about a work issue, with the support of the training program to make such interaction safe. In this sense the designers of the training program must justify its value not only to participants but also to their supervisors. While supervisors often view training for their staff as a valuable activity, they are likely to have reservations about the actual benefits of releasing staff for training opportunities. Once the training is viewed as worth while for all, the conditions are set for success.

This kind of strategic thinking at the micro level of the training program can also have a spill over effect on other HRM functions. For example the exchange of ideas between trainee and supervisor in the context of a safe learning environment can help build trust, thus enhancing the potential success of future performance appraisals. The sustained interaction can also enhance the supervisor's effectiveness in providing data to evaluate the program. If he or she must observe the behaviors of the trainee and

describe changes in attitudes and behavior, a better understanding of the contents of the program will be helpful in producing accurate statements.

Finally, training will be strategic if program participants are assisted in devising ways to sustain the horizontal and vertical integration originated within the training program. In this case, a direct consequence of the training program prompted the creation of a formal self-directed team that did not stop meeting after formal training ended.

Conclusion

Human resources training is usually one of the priorities of any managerial culture. Yet, this function is often the first to be cut or reduced in times of financial stress. One of the reasons for this paradox is that decision-makers often believe that training is disconnected from the bottom line. Training programs often lack a strategic edge, which would make them essential in the eyes of decision-makers. It should come as no surprise then that training champions and specialists insist on the importance of designing training programs that are connected to the mission of the organization. Indeed, training is an important human resource management function, one that can contribute to improving the organization's chances to develop and achieve its strategic goals. The notion of strategic training is premised, however, upon the idea that organized developmental activities must be directly linked to the mission or the core business of the organization.

This paper suggests that human resource managers and trainers can enhance the effectiveness of managerial training programs by making a conscious effort to provide opportunities for horizontal and vertical integration within the training experience, independent of the content areas addressed in the program. The basic assumption of this approach is that managerial effectiveness represents a pre-requisite to formulate and implement organizational strategies. In this context, developing opportunities for vertical and horizontal integration among managers represents a logical extension of a strategic approach to managerial training. Some of the consequences of implementing this approach in the described organizational setting include a more open and expanded communications process in the hospital, the generation of professional attachments, bonding between members of the managerial team, and a better coordination of services among participants from the various hierarchical levels and functional areas.

Notes

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