

# Four good reasons why SA needs to invest in new managers now

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*To capitalise on the promise of Ramaphosa's "new dawn", business and government would do well to invest in first-line managers - because they have the greatest potential to help create smooth-running organisations that can make a difference in the economy.*

Every year, South African companies spend millions on leadership development – sometimes sending top executives to leading institutions around the world at considerable expense – yet they neglect to consider that far more value could be achieved if they invested lower down the ladder.

According to Jenny Boxall, who convenes The New Manager Programme at the UCT Graduate School of Business (GSB), the importance of management training for first-line managers is poorly understood in the private and public sector and it is costing many companies, and government departments, dearly.

“The cult of leadership development often overshadows the far more important work of equipping first-line managers – who after all impact more directly on a far greater number of people in the organisation – to do their jobs effectively,” she says.

“Most new managers are in need of a helping hand,” she says. “They tend to be overwhelmed with their new responsibilities. They have been promoted into their new role because they were good at a technical skill but this does not equip them to manage others. A good doctor will not necessarily make a good hospital administrator and a great engineer needs different skills once put in charge of a team of engineers.

“Unless they are given a management toolkit, many will flounder – and fail – and this is not good for anyone – least of all our economy,” she says.

Boxall feels that as the country gears up to capitalise on Ramaphosa's promised new dawn, it is a good time to turn attention to its managers. With ratings agencies held at bay and hope that corruption can be routed out, there is a window of opportunity for business to boom – and to do this it is really going to need good people. Investing in new managers will bring at least four critical benefits to organisations at this time she believes.

## **1. A good manager knows how to build great teams**

A Gallup poll surveying over one million Americans found that the biggest reason why people leave their jobs is due to a bad boss or direct supervisor. “People leave managers, not companies... In the end, turnover is mostly a manager issue,” Gallup stated. It also revealed that poorly managed work groups were about 50% less productive and 44% less profitable than well-managed groups.

## **2. Efficient managers have better outcomes**

There is plenty of research into how managers impact on offices and workplaces. A recent [report](#) by consulting firm McKinsey on 14,000 organisations in over 30 countries showed that companies with good managers are more productive, perform better financially and also grow more than badly managed organisations. In this way, good managers impact directly on the bottom line of companies and organisations.

## **3. Great managers have happier employees**

Boxall says that studies show that managers have an impact not only on team performance but also on employees' health

and wellbeing. It is the manager who ensures offices are [happy workplaces](#). Valued and engaged employees are more likely to work harder, not call in sick and commit to work deadlines, which is vital for any organisation, company or government department. [One study](#) showed that 69% of employees said their manager made them feel stressed at work, causing them to sometimes take time off work.

#### 4. A good manager knows how to communicate and can resolve problems

Tech giant Google has devoted much time and money on management research and the outcomes of their [Eight Habits of Highly Effective Google Managers](#) shows that being a good communicator is key. Boxall says effective communication is often at the root of many managerial responsibilities - from addressing project hold-ups, dealing with executives, motivating overwhelmed employees, sorting out backlogs or getting to the root of technical faults, faulty invoices or equipment failure that might be holding up a project. For instance, not letting a CEO know of a hold-up in development can cause big conflict in a company, affect investors and damage relationships permanently.

“Ultimately, investing in new managers makes sense because they are also the leaders of tomorrow,” says Boxall. “Management and leadership skills take time and effort to develop so the sooner you get started the better.”

Linda Ronnie, Association Professor at GSB, also points out that investing in new managers is an investment in South Africa’s “born frees” who make up nearly 40% of the 56-million people in SA.

“The participation and contribution of younger high-skilled workers is critical for businesses and organisations that rely on the talent of employees to increase productivity, competitive advantage and overall organisational sustainability,” says Ronnie.

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